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): **November 8, 2024**

Commission file number	Registrant, State or Other Jurisdiction of Incorporation or Organization Address of Principal Executive Offices, Zip Code and Telephone Number	I.R.S. Employer Identification No.
1-31447	**CenterPoint Energy, Inc.** **(a Texas corporation)** **1111 Louisiana** **Houston Texas 77002** **(713) 207-1111**	74-0694415
1-3187	**CenterPoint Energy Houston Electric, LLC** **(a Texas limited liability company)** **1111 Louisiana** **Houston Texas 77002** **(713) 207-1111**	22-3865106

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))

Securities registered pursuant to Section 12(b) of the Act:

Registrant	Title of each class	Trading Symbol(s)	Name of each exchange on which registered
CenterPoint Energy, Inc.	Common Stock, $0.01 par value	CNP	The New York Stock Exchange NYSE Chicago
CenterPoint Energy Houston Electric, LLC	6.95% General Mortgage Bonds due 2033	n/a	The New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2).

Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events.

On November 8, 2024, CenterPoint Energy Houston Electric, LLC ("Houston Electric"), an indirect, wholly-owned subsidiary of CenterPoint Energy, Inc. (the "Company"), announced that it is withdrawing its appeal of State Office of Administrative Hearings ("SOAH") Order No. 14, which denied the withdrawal of its application with the Public Utility Commission of Texas ("PUCT") requesting authority to change rates and charges for electric transmission and distribution service (Docket No. 56211) ("general rate case") filed with the PUCT on March 6, 2024.

As previously disclosed, Houston Electric was granted abatement of its general rate case in July 2024.

Houston Electric plans to proceed with settlement talks with intervenors to the general rate case.

Item 7.01 Regulation FD Disclosure.

On November 8, 2024, the Company issued a press release announcing the withdrawal of its appeal of SOAH Order No. 14, as well as supplemental materials (the "Supplemental Materials"). A copy of this press release and the Supplemental Materials are furnished hereto as Exhibit 99.1 and Exhibit 99.2, respectively, and are incorporated herein by reference.

The information provided in this Item 7.01 (including Exhibits 99.1 and 99.2) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, except as expressly set forth by specific reference in such filing.

The Company reaffirms its previously announced non-GAAP earnings guidance for 2024 and 2025 and its long-term earnings growth targets through 2030.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
99.1	Press Release issued by the Company on November 8, 2024
99.2	Supplemental Materials dated November 8, 2024
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

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: November 12, 2024

By: /s/ Kristie L. Colvin
Kristie L. Colvin
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 HOUSTON ELECTRIC, LLC

Date: November 12, 2024

By: /s/ Kristie L. Colvin
Kristie L. Colvin
Senior Vice President and Chief Accounting Officer

For more information, contact
Communications
Media.Relations@CenterPointEnergy.com

For Immediate Release

CenterPoint Energy Plans to Work Toward Resolution of its 2024 Rate Case

- *Company has completed Phase One of the Greater Houston Resiliency Initiative; continues to make progress on Phase Two of the Greater Houston Resiliency Initiative to be better prepared for 2025 hurricane season; and will file its multi-year system resiliency plan by January 2025*
- *Company has continued to communicate with intervening parties and plans to resume settlement talks immediately*

Houston — November 8, 2024 — CenterPoint Energy (CenterPoint) today announced its plans to proceed with settlement talks for its 2024 CenterPoint Energy Houston Electric (CEHE) rate case that the company had previously requested to withdraw on August 1, 2024. The CEHE 2024 rate case was first filed with Public Utility Commission of Texas (PUCT) and municipal regulatory authorities on March 6, 2024.

Over the last several weeks, CenterPoint has received feedback and continued to communicate with intervening parties to the rate case. The company plans to resume settlement talks immediately.

The original withdrawal request was part of the company-wide commitment to act urgently to improve and strengthen the resiliency of the energy system during this hurricane season.

“Throughout the second half of the year, we’ve been acting urgently to strengthen our resiliency, including completing the first phase of the **Greater Houston Resiliency Initiative**, and we are making good progress on phase two. Our company’s collective focus remains on building the most resilient coastal grid in the country,” said CenterPoint President and CEO Jason Wells.

“Even as we have focused on rapidly hardening our system, we’ve continued to listen to our customers and parties to the rate case. Based on that feedback, we believe there is a shared interest in working toward a constructive resolution. We remain focused on providing value to our customers and affordably delivering our ambitious long-term resiliency goals that are vital to Houston’s future economic growth,” said Wells.

“We are determined to reach an agreement that reflects our commitment to customer affordability while addressing the fact that in 2023 alone CenterPoint invested more in our system, resulting in $75 million more in costs that were not billed to customers for additional system improvements and vegetation management. We look forward to working with all parties bring resolution to this case,” said Jason Ryan, Executive Vice President of Regulatory Services and Government Affairs.

For more information, contact
Communications
Media.Relations@CenterPointEnergy.com

For Immediate Release

First Phase: Greater Houston Resiliency Initiative
Since Hurricane Beryl earlier this summer, CenterPoint has taken action across the 12-county Greater Houston area to improve resiliency and help reduce the risk of outages this hurricane season.

In the first phase of its Greater Houston Resiliency Initiative**,** CenterPoint crews and contractors installed more than **1,100 stronger and more resilient fiberglass poles**, trimmed vegetation along **more than 2,000 miles of power lines** and installed **more than 300 automation devices** in neighborhoods across the region.

Second Phase: Greater Houston Resiliency Initiative
The company's second phase is taking the boldest series of resiliency actions in its nearly 160-year history. In early September, CenterPoint announced a comprehensive suite of new actions as part of the next phase of its **Greater Houston Resiliency Initiative,** including strengthening the energy system and operations over the next eight months and before the start of the 2025 hurricane season. These extensive near-term actions will: build on the work CenterPoint completed in the first phase of the Greater Houston Resiliency Initiative, continue to strengthen resiliency, improve its communications and develop stronger partnerships, and help reinforce its electric system as it prepares for both the upcoming winter season and the 2025 hurricane season.

The actions in Greater Houston Resiliency Initiative Phase Two will help enable a self-healing grid, reduce the length and frequency of outages and lead to more than an estimated 125 million fewer outage minutes annually for customers in the Greater Houston area. Work will be completed ahead of the 2025 hurricane season, or June 1, 2025, and will include:

- Installing new or replacing 25,000 poles that meet extreme wind standards;
- Trimming or removing higher-risk vegetation across 4,000 miles of power lines;
- Installing 4,500 automation devices, known as trip savers, and 350 Intelligent Grid Switching Devices as part of our effort to build a self-healing grid that utilizes automation to respond to outages faster; and
- Strategically undergrounding more than 400 miles of power lines.

Third Phase: Multi-Year System Resiliency Plan
As previously stated, CenterPoint will file its updated and enhanced multi-year system resiliency plan by the end of January 2025.

Estimated Monthly Customer Bill Impact
CenterPoint's filing originally sought a net increase on the average residential customer bill using 1,000 kwh per month of approximately $1.25 per month, which is overall less than a one percent net increase on the total retail bill.

For more information, contact
Communications
Media.Relations@CenterPointEnergy.com

For Immediate Release

CenterPoint Earnings Monitoring Report
As was reported in the company's 2024 Earnings Monitoring Report to the PUCT, for calendar year 2023, CenterPoint invested more in its system, resulting in $75 million more in costs that were not billed to customers for additional system improvements and vegetation management.

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About CenterPoint Energy
As the only investor-owned electric and gas utility based in Texas, CenterPoint Energy, Inc. (NYSE: CNP) is an energy delivery company with electric transmission and distribution, power generation and natural gas distribution operations that serve more than 7 million metered customers in Indiana, Louisiana, Minnesota, Mississippi, Ohio and Texas. With approximately 9,000 employees, CenterPoint Energy and its predecessor companies have been in business for more than 150 years. For more information, visit CenterPointEnergy.com. For more information about affirmation of CenterPoint Energy's current earnings guidance and other financial information, please visit the "Investor Relations" homepage of our website under "Events & Presentations," found here.

Forward-looking Statements
This news release, as well as the website pages related to the Greater Houston Resiliency Initiative, includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this news release or the website pages related to Greater Houston Resiliency Initiative the words "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "goal," "intend," "may," "objective," "plan," "potential," "predict," "projection," "should," "target," "will" or other similar words are intended to identify forward-looking statements. These forward-looking statements, including statements regarding the Greater Houston Resiliency Initiative and longer-term resiliency plans, including effectiveness, timing and related matters, as well as the timing of and projections for upcoming rate cases for CenterPoint and its subsidiaries, are based upon assumptions of management which are believed to be reasonable at the time made and are subject to significant risks and uncertainties. Actual events and results may differ materially from those expressed or implied by these forward-looking statements. Any statements in this news release or the website pages related to the Greater Houston Resiliency Initiative regarding future events that are not historical facts are forward-looking statements. Each forward-looking statement contained in this news release or the website pages related to the Greater Houston Resiliency Initiative speaks only as of the date of this release or the date that such statement is made, as applicable. Important factors that could cause actual results to differ materially from those indicated by the provided forward-looking information include risks and uncertainties relating to: (1) CenterPoint's business strategies and strategic initiatives; (2) financial market conditions; (3) general economic conditions; (4) the timing and impact of future regulatory and legislative decisions; and (5) other factors, risks and uncertainties discussed in CenterPoint's Annual Report on Form 10-K for the fiscal year ended December 31, 2023 and CenterPoint's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2024, June 30, 2024 and September 30, 2024 and other

reports CenterPoint or its subsidiaries may file from time to time with the Securities and Exchange Commission.

NOVEMBER 2024
INVESTOR UPDATES

Cautionary Statements

This presentation and the oral statements made in connection herewith contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this presentation and the oral statements made in connection herewith are forward-looking statements made in good faith by CenterPoint Energy, Inc. ("CenterPoint Energy" or the "Company") and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995, including statements concerning CenterPoint Energy's expectations, beliefs, plans, objectives, goals, strategies, future operations, events, financial position, earnings and guidance, growth, costs, prospects, capital investments or performance or underlying assumptions and other statements that are not historical facts. You should not place undue reliance on forward-looking 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," "target," "will," or other similar words. The absence of these words, however, does not mean that the statements are not forward-looking.

Examples of forward-looking statements in this presentation and the oral statements made in connection herewith include statements about Houston Electric's Greater Houston Resiliency Initiative ("GHRI") and longer-term resiliency plans, capital investments (including with respect to incremental capital opportunities, deployment of capital, renewables projects, and financing of such projects), the timing of and projections for upcoming rate cases for CenterPoint Energy and its subsidiaries, the timing and extent of CenterPoint Energy's recovery, including with regards to its restoration costs for the severe weather events in May 2024 ("May 2024 Storm Events") and Hurricane Beryl, its generation transition plans and projects, projects included in CenterPoint Energy's Natural Gas Innovation Plan and System Resiliency Plan, and projects included under its 10-year capital plan, the extent of anticipated benefits of new legislation, the pending sale of our Louisiana and Mississippi natural gas LDC businesses, future earnings and guidance, including long-term growth rate, customer charges, operations and maintenance expense reductions, financing plans (including with respect to the restoration costs for the May 2024 Storm Events and Hurricane Beryl and the timing of any future equity issuances, securitization, credit metrics and parent level debt), the timing and anticipated benefits of our generation transition plan, including our exit from coal and our 10-year capital plan, the Company's 2.0% Zero-Premium Exchangeable Subordinated Notes due 2029 ("ZENS") and impacts of the maturity of ZENS, CenterPoint's continued focus on liquidity and credit ratings, tax planning opportunities, future financial performance and results of operations, including with respect to regulatory actions and recoverability of capital investments, customer rate affordability, value creation, opportunities and expectations, expected customer growth, and sustainability strategy, including our net zero and greenhouse gas emissions reduction goals. We have based our forward-looking statements on our management's beliefs and assumptions based on information currently 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 include, but are not limited to, risks and uncertainties relating to: (1) CenterPoint Energy's business strategies and strategic initiatives, restructurings, joint ventures and acquisitions or dispositions of assets or businesses, including the announced sale of our Louisiana and Mississippi natural gas LDC businesses, and the completed sale of Energy Systems Group, LLC, which we cannot assure you will have the anticipated benefits to us; (2) industrial, commercial and residential growth in CenterPoint Energy's service territories and changes in market demand; (3) CenterPoint Energy's ability to fund and invest planned capital, and the timely recovery of its investments; (4) financial market and general economic conditions, including access to debt and equity capital, inflation, interest rates, and their effect on sales, prices and costs; (5) disruptions to the global supply chain and volatility in commodity prices; (6) actions by credit rating agencies, including any potential downgrades to credit ratings; (7) the timing and impact of regulatory proceedings and actions and legal proceedings, including those related to the May 2024 Storm Events and Hurricane Beryl, Houston Electric's mobile generation and the February 2021 winter storm event; (8) legislative and regulatory actions or developments, including any actions resulting from the May 2024 Storm Events and Hurricane Beryl, as well as tax and developments related to the environment such as global climate change, air emissions, carbon, waste water discharges and the handling of coal combustion residuals, among others, and CenterPoint Energy's net zero and carbon emissions reduction goals; (9) the impact of pandemics; (10) weather variations and CenterPoint Energy's ability to mitigate weather impacts, including the approval and timing of securitization issuances; (11) the impact of potential wildfires; (12) changes in business plans; (13) CenterPoint Energy's ability to execute on its initiatives, targets and goals, including its net zero and carbon emissions reduction goals and operations and maintenance goals; and (14) other factors discussed in CenterPoint Energy's Annual Report on Form 10-K for the fiscal year ended December 31, 2023 and CenterPoint Energy's Quarterly Report on Form 10-Q for the quarters ended March 31, 2024 and June 30, 2024, and September 30, 2024, including under "Risk Factors," "Cautionary Statements Regarding Forward-Looking Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations — Certain Factors Affecting Future Earnings" in such reports and in other filings with the Securities and Exchange Commission ("SEC") by the Company, which can be found at www.centerpointenergy.com on the Investor Relations page or on the SEC website at www.sec.gov.

This presentation contains time sensitive information that is accurate as of the date hereof (unless otherwise specified as accurate as of another date). Some of the information in this presentation is unaudited and may be subject to change. We undertake no obligation to update the information presented herein except as required by law. Investors and others should note that we may announce material information using SEC filings, press releases, public conference calls, webcasts and the Investor Relations page of our website. In the future, we will continue to use these channels to distribute material information about the Company and to communicate important information about the Company, key personnel, corporate initiatives, regulatory updates and other matters. Information that we post on our website could be deemed material; therefore, we encourage investors, the media, our customers, business partners and others interested in our Company to review the information we post on our website.

Use of Non-GAAP Financial Measures

In addition to presenting its financial results in accordance with generally accepted accounting principles (GAAP), including presentation of income (loss) available to common shareholders and diluted earnings (loss) per share, the Company also provides guidance based on non-GAAP income and non-GAAP diluted earnings per share and also provides non-GAAP funds from operations / non-GAAP rating agency adjusted debt ("FFO/Debt"). Generally, a non-GAAP financial measure is a numerical measure of a company's historical or future financial performance that excludes or includes amounts that are not normally excluded or included in the most directly comparable GAAP financial measure. Please refer to the Appendix for detailed discussion of the use of non-GAAP financial measures presented herein.

November 08, 2024 Updates

- CenterPoint Reaffirms Targeting industry-leading non-GAAP EPS annual growth of 8% in 2024
- CenterPoint Reaffirms 2025 non-GAAP EPS guidance target range of $1.74 - $1.76 which, at the midpoint, would represent 8% growth from 2024 midpoint
- CenterPoint Reaffirms Targeting sustainable non-GAAP EPS and dividend per share growth at the mid-to-high end of 6 - 8% annually through 2030 (1)
- CenterPoint provides an update to multiple rate case proceedings on slide 5

Note: Refer to slide 2 for information on forward-looking statements and appendix slides for reconciliations and information on non-GAAP assumptions and measures, including non-GAAP EPS.

1) Refers to non-GAAP EPS annual growth rate for 2022A – 2030E

Q3 Update

	Long-Term Strategic Objectives	Q3' 24 Updates
Consistent, Sustainable Growth for Our Investors	Targeting industry-leading non-GAAP EPS annual growth of 8% in 2024 and dividend per share growth in line with non-GAAP EPS earnings of $1.61 - $1.63; achieved ~75% YTD of midpoint FY24 non-GAAP EPS guidance	Delivered $0.31 non-GAAP EPS for the third quarter; Reaffirmed 2024 guidance
	Targeting sustainable non-GAAP EPS and dividend per share growth at the mid-to-high end of 6 - 8% annually through 2030[1]	Initiating 2025 non-GAAP EPS guidance target range of $1.74 - $1.76 which, at the midpoint, would represent 8% growth from 2024 midpoint
Resilient, Reliable, & Affordable Energy for Customers	Maintaining balance sheet health; long-term FFO/Debt[2] target of 14% - 15% through 2030	Delivered 13.8% TTM 3Q FFO/Debt[2]
	Plan to efficiently fund robust capital investment plan with asset recycling gross proceeds and securitization proceeds totaling ~$3B[3] in 2025+ and equity or equity-like proceeds of $2.5B through 2030	Increasing equity or equity-like issuance plan by $1.25B to fund incremental capital through 2030
	Seeking to keep rates affordable through 1-2% O&M reductions[4], securitization charges ended or extending cost recovery[5], and robust annual customer growth[6]	Anticipate residential delivery charges to be in line with inflation
Positively Impacting our Communities	Increasing investments in reliability, resiliency, and safer energy for the benefit of our customers and our communities, from $44.5B to $47B[7]	Increased capital investment plan[7] by $2.5B for incremental resiliency investments in Houston Electric

Note: Refer to slide 2 for information on forward-looking statements and appendix slides for reconciliations and information on non-GAAP assumptions and measures, including non-GAAP EPS.

1) Refers to non-GAAP EPS annual growth rate for 2022A – 2030E
2) Based on Moody's methodology; Adjusted one-time Uri-related items and CEHE storm related costs; FFO/Debt is a non-GAAP measure. Refer to appendix for Moody's Q3 reconciliation
3) ~$3B includes $1.2B of LA/MS gross proceeds
4) O&M average annual reduction target includes Electric and Natural Gas business, excludes utility costs to achieve, severance costs and amounts with revenue offsets
5) Securitization includes CEHE transition bonds ending in 3Q 2024 and SIGECO securitization bonds
6) Internal projection through 2030
7) Refers to 10-year capital plan from 2021A-2030E

Rate Case Snapshot

Updates as of 11/8/2024

	IN Electric (Docket 45990)	MN Gas (Docket 23-173)	Houston Electric (Docket 56211)	OH Gas (Docket 24-0832-GA-AIR)
Date Filed	Proposed Settlement Filed Key Details Below	✓ November 1, 2023	✓ March 6, 2024	Filed on October 29, 2024
Test Year End		Forward test year: 2024 & 2025	2023	Forward test year: 2024
Revenue Request	$80MM (Proposed)[2]	2024: $84.6MM 2025: $51.8MM	$56MM	TBA
Equity Layer / ROE[1]	Settlement[2][3]: 48.3% / 9.8% Requested: 48.3% / 10.4% Authorized:43.5% / 10.4%	Requested: 52.5% / 10.3% Authorized: 51.0% / 9.4%	Requested: 44.9% / 10.4% Authorized: 42.5% / 9.4%	Requested ROR: TBA Authorized: 51.1% / Confidential
Debt Layer / Cost of Debt	Settlement[2]: 39.5% / 5.1% Requested: 39.5% / 5.1% Authorized: 43.6% / 6.3%	Requested: 47.5% / 4.5% Authorized: 49.0% / 4.1%	Requested: 55.1% / 4.3% Authorized: 57.5% / 4.4%	Requested: TBA Authorized: 48.9% / 5.1%
Key Dates[5]	Customer rates to be updated March '25 and March '26; Final Order on Feb 3, 2025[4]	Reached a settlement agreement In Principle[6]	Resumed Settlement Negotiations	Filed on October 29, 2024

Note: Refer to slide 2 for information on forward-looking statements

1) Authorized refers to current authorization prior to case outcome
2) Partial settlement filed on May 20, 2024
3) Equity % net of cost-free capital and other capital comprised of 11.90% and 0.33%, respectively
4) IURC can extend up to 60 days for "Good Cause"
5) Future dates are expected
6) See slide 7 for more details

Appendix

MN case support

From: Swanson, Eric
Sent: Friday, November 8, 2024 4:01 PM
To: Honorable Ann C. O'Reilly (ann.oreilly@state.mn.us) <ann.oreilly@state.mn.us>; Jorge R. Alonso (jorge.alonso@state.mn.us) <jorge.alonso@state.mn.us>; Jason Bonnett (jason.bonnett@state.mn.us) <jason.bonnett@state.mn.us>
Cc: Richard Dornfeld <Richard.Dornfeld@ag.state.mn.us>; Katherine Arnold <Katherine.Arnold@ag.state.mn.us>; Greg Merz <Greg.Merz@ag.state.mn.us>; Katherine Hinderlie <Katherine.Hinderlie@ag.state.mn.us>; Peter Scholtz <Peter.Scholtz@ag.state.mn.us>; Joey Cherney <Joey.Cherney@ag.state.mn.us>; Travis Murray <Travis.Murray@ag.state.mn.us>; briane@cubminnesota.org; Brandon Crawford <brandonc@cubminnesota.org>; Sathe, Joseph L. <JSathe@Kennedy-Graven.com>; Charles Sutton <charles@suttonconsultingllc.com>; Kevin Pranis (kpranis@liunagroc.com) <kpranis@liunagroc.com>; jason.loos@centerpointenergy.com; Schmiesing, Elizabeth H. <ESchmiesing@winthrop.com>
Subject: CenterPoint Energy Rate Case -- OAH 65-2500-39699; MPUC G-008/GR-23-173
Importance: High

Judge O'Reilly and Staff –

On behalf of all parties to this proceeding (the Company, Department of Commerce, Office of the Attorney General – Residential Utilities Division, Citizens Utility Board, Suburban Rate Authority, LIUNA and Local 49), I write to inform you that the parties have been holding settlement discussions over the past weeks and have reached an Agreement In Principle resolving all issues in this matter. The current schedule established by Your Honor calls for Rebuttal Testimony to be filed next Tuesday, November 12. We ask that this schedule be temporarily suspended and that a Prehearing Conference be held next week at your convenience to discuss the likely timing for the filing of a formal settlement document and whether any adjustment to the remainder of the schedule in this matter may be appropriate.

Thank you for your prompt attention to this matter.

Eric F. Swanson (he/him/his)
Winthrop & Weinstine, P.A.
Shareholder
eswanson@winthrop.com
Work: (612) 604-6511
Mobile: (612) 327-9146
vCard | Bio | LinkedIn | Twitter

Capella Tower | Suite 3500 | 225 S 6th Street | Minneapolis, MN 55402

Reconciliation: Income (Loss) and Diluted Earnings (Loss) per share to non-GAAP Income and non-GAAP Diluted EPS used in providing annual earnings guidance

	Quarter Ended September 30, 2024		Year-to-Date Ended September 30, 2024	
	Dollars in millions	Diluted EPS[1]	Dollars in millions	Diluted EPS[1]
Consolidated income (loss) available to common shareholders and diluted EPS	$ 193	$ 0.30	$ 771	$ 1.20
ZENS-related mark-to-market (gains) losses:				
Equity securities (net of taxes of $12 and $1, respectively)[2][3]	(42)	(0.07)	9	0.01
Indexed debt securities (net of taxes of $11 and $3, respectively)[2]	42	0.07	(11)	(0.02)
Impacts associated with mergers and divestitures (net of taxes of $1 and $5, respectively)[2]	5	0.01	13	0.02
Consolidated on a non-GAAP basis[4]	$ 198	$ 0.31	$ 782	$ 1.22

(1) Quarterly diluted EPS on both a GAAP and non-GAAP basis are based on the weighted average number of shares of common stock outstanding during the quarter, and the sum of the quarters may not equal year-to-date diluted EPS
(2) Taxes are computed based on the impact removing such item would have on tax expense.
(3) Comprised of common stock of AT&T Inc., Charter Communications, Inc., and Warner Bros. Discovery, Inc.
(4) The calculation on a per-share basis may not add down due to rounding

Reconciliation: Net Cash Provided by Operating Activities and Total Debt, Net to non-GAAP Funds from Operations (FFO) and non-GAAP Adj. Debt

Based on Moody's Methodology

Twelve month to date ended and as of period ended, respectively ($ in millions)	YE 2023	3Q 2024
Net cash provided by operating activities (A)	$3,877	$2,058
Add back:		
Accounts receivable and unbilled revenues, net	(423)	(40)
Inventory	(167)	(123)
Taxes receivable	74	102
Accounts payable	302	106
Other current assets and liabilities	(162)	(66)
Adjusted cash from operations	3,501	2,037
Plus: Rating agency adjustments[1]	12	14
Non-GAAP funds from operations (FFO) (B)	$3,513	$2,051
Total Debt, Net		
Short-term Debt:		
Short-term borrowings	4	-
Current portion of VIE Securitization Bonds long-term debt	178	94
Indexed debt, net	5	3
Current portion of other long-term debt	872	51
Long-term Debt:		
VIE Securitization bonds, net	320	314
Other long-term debt, net	17,239	19,415
Total Debt, net (C)	18,618	19,877
Plus: Rating agency adjustments[1]	357	(30)
Non-GAAP rating agency adjusted debt (D)	$18,975	$19,847
Net cash provided by operating activities / total debt, net (A/C)	20.8%	10.4%
CFO Pre-Working Capital/Debt– **Moody's**[1] (B/D)	18.5%	10.3%
CNP Adjustments to FFO for 1-time items (E)	(878)	574
CNP Adjustments to Debt for 1-time items (F)	(216)	(850)
Non-GAAP FFO / Non-**GAAP adjusted debt ("FFO/Debt") Adjusted for 1**-time items[2] (B + E / D + F)	14.0%	13.8%

1) Based on Moody's methodology, including adjustments related to total lease costs (net of lease income), stock dividends, non-recurring items, and defined benefit plan
2) CNP further reduced FY 2023 FFO for non-recurring Winter Storm Uri related securitization proceeds and both FY 2023 and TTM 3Q 2024 for the associated one-time of $150MM Uri related debt as well as CEHE storm related costs (FFO: $559; Debt: $700). Please see note 18 of the 2023 Form 10-K for supplemental disclosure of cash flow information

Reconciliation: Gross Margin and Total Debt, Net to non-GAAP Funds from Operations (FFO) and non-GAAP Rating Agency Adjusted Debt

CenterPoint Energy

Based on S&P's Methodology

Twelve month to date ended and as of period ended, respectively ($ in millions)	YE 2023	3Q 2024
Unadjusted EBITDA		
Gross Margin	6,536	6,832
O&M	(2,850)	(3,022)
Taxes and Other	(525)	(540)
Unadjusted EBITDA	3,161	3,270
Less: Cash interest paid	664	763
Less: Cash taxes paid	215	7
Plus: Rating agency adjustments[1]	(179)	(106)
Non-GAAP funds from operations (FFO)	2,103	2,394
Total Debt, Net		
Short-term Debt:		
Short-term borrowings	4	-
Current portion of VIE Securitization Bonds long-term debt	178	94
Indexed debt, net	5	3
Current portion of other long-term debt	872	51
Long-term Debt:		
VIE Securitization bonds, net	320	314
Other long-term debt, net	17,239	19,415
Total Debt, net	18,618	19,877
Plus: Rating agency adjustments[2]	184	(118)
Non-GAAP rating agency adjusted debt	18,802	19,759
Unadjusted EBITDA / total debt, net	17.0%	16.5%
FFO/Debt (S&P)	11.2%	12.1%
FFO/Debt (S&P) – adjusted for one-time items [2][3]	12.3%	12.6%

1) Based on S&P's methodology, including adjustments related to total lease costs (net of lease income), Series A preferred stock dividends, non-recurring items, and defined benefit plan
2) CNP removes Winter Storm Uri related. Please see note 23 of the 2023 Form 10-K for supplemental disclosure of cash flow information
3) Excludes CEHE storm related debt cost of $700MM

Regulatory Information

Information	Location
Electric ▪ Estimated 2023 year-end rate base by jurisdiction ▪ Authorized ROE and capital structure by jurisdiction ▪ Definition of regulatory mechanisms ▪ Projected regulatory filing schedule	Regulatory Information – Electric
Natural Gas ▪ Estimated 2023 year-end rate base by jurisdiction ▪ Authorized ROE and capital structure by jurisdiction ▪ Definition of regulatory mechanisms ▪ Projected regulatory filing schedule	Regulatory Information – Gas
Estimated amortization for pre-tax equity earnings related to Houston Electric's securitization bonds	Regulatory Information – Electric (Pg. 5)
Rate changes and Interim mechanisms filed	Form 10-K – Rate Change Applications section

Additional Information

Use of Non-GAAP Financial Measures

In this presentation and the oral statements made in connection herewith, CenterPoint Energy presents, based on income available to common shareholders, diluted earnings per share, and net cash provided by operating activities to total debt, net, and gross margin to total debt, net, the following financial measures which are not generally accepted accounting principles ("GAAP") financial measures: non-GAAP income, non-GAAP earnings per share ("non-GAAP EPS"), as well as non-GAAP funds from operations / non-GAAP rating agency adjusted debt (Moody's and S&P) ("FFO/Debt"). Generally, a non-GAAP financial measure is a numerical measure of a company's historical or future financial performance that excludes or includes amounts that are not normally excluded or included in the most directly comparable GAAP financial measure.

2023 and 2024 non-GAAP EPS excluded and 2024 and 2025 non-GAAP EPS guidance excludes: (a) Earnings or losses from the change in value of the Company's 2.0% Zero-Premium Exchangeable Subordinated Notes due 2029 ("ZENS") and related securities, and (b) Gain and impact, including related expenses, associated with mergers and divestitures, such as the divestiture of Energy Systems Group, LLC, and the Louisiana and Mississippi gas LDC sales. In providing this guidance, CenterPoint Energy does not consider the items noted above and other potential impacts such as changes in accounting standards, impairments or other unusual items, which could have a material impact on GAAP reported results for the applicable guidance period. The 2024 and 2025 non-GAAP EPS guidance ranges also consider assumptions for certain significant variables that may impact earnings, such as customer growth and usage including normal weather, throughput, recovery of capital invested, effective tax rates, financing activities and related interest rates, and regulatory and judicial proceedings. To the extent actual results deviate from these assumptions, the 2024 and 2025 non-GAAP EPS guidance ranges may not be met or the projected annual non-GAAP EPS growth rate may change. CenterPoint Energy is unable to present a quantitative reconciliation of forward-looking non-GAAP diluted earnings per share because changes in the value of ZENS and related securities, future impairments, and other unusual items are not estimable and are difficult to predict due to various factors outside of management's control.

Funds from operations (Moody's) excludes from net cash provided by operating activities accounts receivable and unbilled revenues, net, inventory, taxes receivable, accounts payable, and other current assets and liabilities, and includes certain adjustments consistent with Moody's methodology, including adjustments related to total lease costs (net of lease income), Series A preferred stock dividends, and defined benefit plan contributions (less service costs). Non-GAAP rating agency adjusted debt (Moody's) adds to Total Debt, net certain adjustments consistent with Moody's methodology, including Series A preferred stock, pension benefit obligations, and operating lease liabilities and further adjustments related to Winter Storm Uri debt and one time cash taxes.

Funds from operations (S&P) excludes from gross margin O&M, taxes and other, cash interest paid and cash taxes paid, and includes certain adjustments consistent with S&P's methodology, including adjustments related to total lease costs (net of lease income), Series A preferred stock dividends, non-recurring items, and defined benefit plan. Non-GAAP rating agency adjusted debt (S&P) adds to Total Debt, net certain adjustments consistent with S&P's methodology, including adjustments related to Winter Storm Uri related one-time cash tax.

The appendix to this presentation contains a reconciliation of income (loss) available to common shareholders and diluted earnings (loss) per share to the basis used in providing guidance, as well as a reconciliation of net cash provided by operating activities / total debt, net (and gross margin to total debt, net) to FFO/Debt.

Management evaluates the Company's financial performance in part based on non-GAAP income, non-GAAP EPS and long-term FFO/Debt. Management believes that presenting these non-GAAP financial measures enhances an investor's understanding of CenterPoint Energy's overall financial performance by providing them with an additional meaningful and relevant comparison of current and anticipated future results across periods. The adjustments made in these non-GAAP financial measures exclude items that Management believes do not most accurately reflect the Company's fundamental business performance. These excluded items are reflected in the reconciliation tables, where applicable. CenterPoint Energy's non-GAAP income, non-GAAP EPS and FFO/Debt financial measures should be considered as a supplement to, and not as a substitute for, or superior to, income available to common shareholders, diluted earnings per share, net cash provided by operating activities to total debt, net and gross margin to total debt, net, which, respectively, are the most directly comparable GAAP financial measures. These non-GAAP financial measures also may be different than non-GAAP financial measures used by other companies.

Net Zero Disclaimer

CenterPoint Energy's Scope 1 GHG emissions estimates are calculated from GHG emissions that directly come from its operations. CenterPoint Energy's Scope 2 GHG emissions estimates are calculated from GHG emissions that indirectly come from its energy usage, but because Texas is in an unregulated market, its Scope 2 GHG estimates do not take into account Texas electric transmission and distribution assets in the line loss calculation and exclude GHG emissions related to purchased power between 2024E-2026E. CenterPoint Energy's Scope 3 GHG emissions estimates are based on the total natural gas supply delivered to residential and commercial customers as reported in the U.S. Energy Information Administration (EIA) Form EIA-176 reports and do not take into account the GHG emissions of transport customers and GHG emissions related to upstream extraction. While CenterPoint Energy believes that it has a clear path towards achieving its Net Zero GHG emissions (Scope 1 and certain Scope 2) by 2035 goals, its analysis and path forward required it to make a number of assumptions. These goals and underlying assumptions involve risks and uncertainties and are not guarantees. Should one or more of our underlying assumptions prove incorrect, CenterPoint Energy's actual results and ability to achieve Net Zero Scope 1 and certain Scope 2 GHG emissions by 2035 could differ materially from its expectations. Certain of the assumptions that could impact our ability to meet its Net Zero Scope 1 and certain Scope 2 GHG emissions goals include, but are not limited to: GHG emission levels, service territory size and capacity needs remaining in line with company expectations (inclusive of changes related to the announced sale of CenterPoint Energy's Louisiana and Mississippi natural gas LDC businesses); regulatory approval of Indiana Electric's generation transition plan; impacts of future environmental regulations or legislation; impacts of future carbon pricing regulation or legislation, including a future carbon tax; price, availability and regulation of carbon offsets; price of fuel, such as natural gas; cost of energy generation technologies, such as wind and solar, natural gas and storage solutions; adoption of alternative energy by the public, including adoption of electric vehicles; rate of technology innovation with regards to alternative energy resources; CenterPoint Energy's ability to implement its modernization plans for its pipelines and facilities; the ability to complete and implement generation alternatives to Indiana Electric's coal generation and retirement dates of Indiana Electric's coal facilities by 2035; the ability to construct and/or permit new natural gas pipelines; the ability to procure resources needed to build at a reasonable cost, the lack of or scarcity of resources and labor, the lack of any project cancellations, construction delays or overruns and the ability to appropriately estimate costs of new generation; impact of any supply chain disruptions; changes in applicable standards, metrics, methodologies or frameworks; and enhancement of energy efficiencies.