



CenterPoint Energy Gas Transmission and Duke Energy Gas Transmission Propose Major Pipeline to Link Onshore Supplies to Premium Eastern Markets

Original Mid-Continent Crossing Proposal Revised and Expanded

HOUSTON, June 1, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- CenterPoint Energy Gas Transmission Company (CEGT) and Duke Energy Gas Transmission (DEGT) today signed a Memorandum of Understanding to develop a pipeline, the Mid-Continent Crossing (MCX). The proposed pipeline will stretch from the Waha market center in West Texas, to Oakford/Delmont, Pa, and will offer Midwest and eastern markets access to abundant supplies of natural gas located in the producing basins of the Mid-Continent, Rockies and West Texas.

(Logo: <http://www.newscom.com/cgi-bin/prnh/20020930/CNPLOGO>)

CEGT's initial open season for MCX was to solicit interest in a pipeline originating in Dumas, Texas and terminating in Barton, Alabama. Initial interest in the project determined that there may be demand to extend this proposed new pipeline from the Southwest and Mid-Continent regions to market centers in the Northeast.

As a result, the scope of CEGT's original pipeline project has changed. CEGT and DEGT will conduct a new 60-day open season to solicit interest from producers seeking to deliver to premium markets farther north, as well as end- use markets looking to diversify their supply portfolios to include a greater share from western basins.

The proposed expanded pipeline will begin in the Waha market center of West Texas and terminate near Oakford/Delmont. The approximately 1,600-mile, 42- and 36-inch pipeline would have the capacity of between 1.50 and 1.75 billion cubic feet per day and will connect significant onshore gas supplies with key downstream markets. The pipeline could be in service as early as the fourth quarter of 2008. Producing basins that will benefit from this market access include the Rockies, San Juan, Permian, Delaware, Granite Wash, Raton, Palo Duro, Anadarko, Arkoma and Fayetteville Shale.

"We are pleased to work with DEGT on another project of this magnitude," said Byron Kelley, president of CenterPoint Energy's pipeline group. "Following both companies' existing rights-of-way for the majority of the route will enable us to build quickly and at a lower cost than other alternatives. The new pipeline will provide market access for producers and bring needed supplies to key gas-consuming markets."

"This new pipeline system will provide customers in energy-hungry markets in the East with a competitive supply alternative for accessing growing, reliable onshore supply sources," said Martha Wrysch, president, DEGT. "We are excited about our partnership with CenterPoint Energy to connect Mid- Continent producers with customers looking to access diverse supply sources."

The non-binding open season will run from June 1 - July 31. Shippers seeking additional information on the project should contact Brian McKerlie (DEGT) at bmckerlie@duke-energy.com or 713.627.4582 or John Haynes at john.haynes@CenterPointEnergy.com or 713.207.5130. Further details and materials are also available on DEGT's Web site at <http://www.degt.duke-energy.com> and CEGT's Web site at <http://pipelines.centerpointenergy.com/cegt.html> .

CEGT, an indirect, wholly-owned interstate natural gas pipeline subsidiary of CenterPoint Energy, Inc. (NYSE: CNP), and DEGT, a subsidiary of Duke Energy (NYSE: DUK) are also partnering to develop the Southeast Supply Header pipeline.

CenterPoint Energy, Inc., headquartered in Houston, Texas, is a domestic energy delivery company that includes electric transmission & distribution, natural gas distribution, competitive natural gas sales and services, and pipeline and field services operations. The company serves more than five million metered customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Oklahoma, and Texas. Assets total approximately \$16 billion. With about 9,000 employees, CenterPoint Energy and its predecessor companies have been in business for more than 130 years. For more information, visit the Web site at <http://www.CenterPointEnergy.com> .

Duke Energy Gas Transmission (DEGT) is a North American leader in the long-haul transportation and storage of natural gas. For more than a half- century, DEGT and its predecessor companies have developed the critically important pipelines and related energy infrastructure that connects natural gas supply sources to premium markets. Based in Houston, Texas, the company's assets include more than 18,500 miles of transmission pipeline and more than 250 billion cubic feet of storage

capacity in the United States and Canada. DEGT also has natural gas gathering, processing and distribution assets and natural gas liquids operations that are among the largest in Canada. More information can be found at: <http://www.degt.duke-energy.com> .

Duke Energy is a diversified energy company with a portfolio of natural gas and electric businesses, both regulated and unregulated, and an affiliated real estate company. Duke Energy supplies, delivers and processes energy for customers in the Americas. Headquartered in Charlotte, N.C., Duke Energy is a Fortune 500 company traded on the New York Stock Exchange under the symbol DUK. More information about the company is available on the Internet at: <http://www.duke-energy.com>

This news release includes 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. The statements in this news release regarding future events and other statements that are not historical facts are forward-looking statements. Although CenterPoint Energy and Duke Energy believe that their respective expectations of future events as set forth in this release are based on reasonable assumptions, neither CenterPoint Energy nor Duke Energy can give assurance that anticipated results will be achieved or that anticipated events will occur. Actual events and results may differ materially from those projected. Important factors that could cause actual results to differ materially from those in the forward-looking statements of CenterPoint Energy herein are discussed in CenterPoint Energy's and its subsidiaries Form 10-Ks for the period ended Dec. 31, 2005, and Form 10-Qs for the quarter ended March 31, 2006, and other filings with the Securities and Exchange Commission. Important factors could cause actual results to differ materially from those in the forward-looking statements of Duke Energy herein are discussed in Duke Energy's Form 10-Q for the quarter ended March 31, 2006, and other filings with the Securities and Exchange Commission.

SOURCE CenterPoint Energy, Inc.; Duke Energy Gas Transmission

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