

**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): **December 7, 2020**

**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**

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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	CNP	The New York Stock Exchange Chicago Stock Exchange, Inc.
Depository Shares for 1/20 of 7.00% Series B Mandatory Convertible Preferred Stock, \$0.01 par value	CNP/PB	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 7.01. Regulation FD Disclosure.**

On December 7, 2020, CenterPoint Energy, Inc. (“CenterPoint Energy”) posted a slide presentation on its website to provide information regarding CenterPoint Energy’s multi-year outlook for maximizing value for its stakeholders through a combination of a utility-focused strategy and execution on the recommendations from the Business Review and Evaluation Committee of CenterPoint Energy’s Board of Directors in connection with CenterPoint Energy’s hosting of a virtual Investor Day on such date. A copy of the slide presentation is attached to this Current Report on Form 8-K as Exhibit 99.1, which slide presentation is incorporated by reference herein.

Exhibit 99.1 is furnished, not filed, pursuant to Item 7.01. Accordingly, none of the information will be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, as amended, and the information in Exhibit 99.1 will not be incorporated by reference into any registration statement filed by CenterPoint Energy under the Securities Act of 1933, as amended, unless specifically identified as being incorporated by reference.

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

Exhibit 99.1 is furnished, not filed, pursuant to Item 7.01. Accordingly, none of the information will be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, as amended, and the information in Exhibit 99.1 will not be incorporated by reference into any registration statement filed by CenterPoint Energy under the Securities Act of 1933, as amended, unless specifically identified as being incorporated by reference.

(d) Exhibits.

<u>EXHIBIT NUMBER</u>	<u>EXHIBIT DESCRIPTION</u>
99.1	<a href="#">CenterPoint Energy Investor Day Slide Presentation dated December 7, 2020</a>
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

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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: December 7, 2020

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

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DELIVERING WITH  
**FOCUS**

**Investor Day**  
December 7, 2020





# CAUTIONARY STATEMENT

## Forward-Looking 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, impact of COVID-19, costs, prospects, capital investments or performance or underlying assumptions (including future regulatory filings and recovery, liquidity, capital resources, balance sheet, cash flow, capital investments and management, financing costs and rate base or customer growth) and other statements that are not historical facts. You should not place undue reliance on forward-looking statements. 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,” “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 include statements about our growth and guidance (including earnings and customer growth, capital investment plan and opportunities, utility and rate base growth expectations, taking into account assumptions and scenarios related to COVID-19), operations and maintenance (“O&M”) expense management initiatives and projected savings therefrom (as well as O&M per customer figures), the potential sale of certain of our natural gas local distribution companies (which, among other things, would be subject to future management and board approval), future financing activities (including equity issuances), balance sheet strengthening and target adjusted total parent debt to adjusted consolidated debt ratio, activities and transactions related to our investment in Enable Midstream Partners, LP (“Enable”), our regulatory activities, filings and projections (including capital recovery mechanisms and the Integrated Resources Plan as proposed in Indiana, including the anticipated timeline and benefits under its preferred portfolio), our credit quality and balance sheet expectations, environmental, social and governance related matters, including our carbon emissions reduction targets, continuous improvement plans and customer service initiatives, among other statements. We have based our forward-looking statements on our management’s beliefs and assumptions based on information currently available to us 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 (1) the performance of Enable, the amount of cash distributions CenterPoint Energy receives from Enable, and the value of CenterPoint Energy’s interest in Enable; (2) CenterPoint Energy’s expected benefits of the merger with Vectren Corporation (Vectren) and integration, including the ability to successfully integrate the Vectren businesses and to realize anticipated benefits and commercial opportunities; (3) financial market and general economic conditions, including access to debt and equity capital and the effect on sales, prices and costs; (4) industrial, commercial and residential growth in CenterPoint Energy’s service territories and changes in market demand; (5) actions by credit rating agencies, including any potential downgrades to credit ratings; (6) the timing and impact of future regulatory and legal proceedings; (7) legislative decisions, including tax and developments relating 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 carbon reduction targets; (8) the impact of the COVID-19 pandemic; (9) the recording of impairment charges, including any impairments related to CenterPoint Energy’s investment in Enable; (10) weather variations and CenterPoint Energy’s ability to mitigate weather impacts; (11) changes in business plans; (12) CenterPoint Energy’s ability to fund and invest planned capital, including timely and appropriate rate actions that allow recovery of costs and a reasonable return on investment; (13) CenterPoint Energy’s or Enable’s potential business strategies and strategic initiatives, including the recommendations and outcomes of the Business Review and Evaluation Committee, restructurings, joint ventures and acquisitions or dispositions of assets or businesses, which may not be completed or result in the benefits anticipated to CenterPoint Energy or Enable; (14) CenterPoint Energy’s ability to execute O&M management initiatives; and (15) other factors described in CenterPoint Energy’s Quarterly Reports on Form 10-Q for the quarters ended March 31, 2020, June 30, 2020 and September 30, 2020 and in CenterPoint Energy’s Annual Report on Form 10-K for the fiscal year ended December 31, 2019 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’s (“SEC”) by the Company, which can be found at [www.centerpointenergy.com](http://www.centerpointenergy.com) on the Investor Relations page or on the SEC website at [www.sec.gov](http://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.

## ADDITIONAL INFORMATION

### Use of Non-GAAP Financial Measures

In this presentation and the oral statements made in connection herewith, CenterPoint Energy presents guidance basis Utility earnings per share ("Utility EPS") based on adjusted diluted earnings per share, which is not a generally accepted accounting principles ("GAAP") financial measure. CenterPoint Energy also refers to the non-GAAP financial measures of adjusted consolidated debt and adjusted total parent debt in this presentation and the oral statements made in connection herewith. 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.

Utility EPS includes net income from the Company's Houston Electric, Indiana Electric and Natural Gas Distribution business segments, as well as after-tax Corporate and Other operating income. The Utility EPS guidance range reflects dilution and earnings as if the Company's Series B preferred stock converted on their mandatory conversion date. Utility EPS guidance range considers 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, regulatory and judicial proceedings. In addition, the Utility EPS guidance range assumes a continued re-opening of the economy in CenterPoint Energy's service territories throughout 2021. To the extent actual results deviate from these assumptions, the Utility EPS guidance range may not be met and our projected annual Utility EPS growth rate range may change. Utility EPS includes an allocation of corporate overhead based upon our Utility segments relative earnings contribution. Corporate overhead consists primarily of interest expense, preferred stock dividend requirements and other items directly attributable to the parent along with the associated income taxes, and considers certain significant variables that may impact earnings. Utility EPS 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, (b) certain expenses associated with merger integration, and (c) Midstream Investments, including associated income from the Enable preferred units and a corresponding amount of debt in addition to an associated allocation of corporate overhead based on relative earnings contribution. Utility EPS guidance also does not include other potential impacts, such as changes in accounting standards, impairments or unusual items, which could have a material impact on GAAP reported results for the applicable guidance period. CenterPoint Energy is unable to present a quantitative reconciliation of forward-looking Utility EPS because changes in the value of ZENS and related securities, future impairments, and other unusual items are not estimable as they are highly variable and difficult to predict due to various factors outside of management's control.

A reconciliation of adjusted consolidated debt to total debt, net and a reconciliation of adjusted total parent debt to total parent debt, net is provided in this presentation in the appendix. CenterPoint Energy is unable to present a quantitative reconciliation of forward-looking adjusted consolidated debt to total debt, net or a reconciliation of adjusted total parent debt to total parent debt, net because of changes in the value of ZENS and related securities and other items are highly variable and difficult to predict due to various factors outside of management's control.

Management evaluates the Company's financial performance in part based on Utility EPS, adjusted consolidated debt and adjusted total parent 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 and leverage across periods. Management believes that each of adjusted consolidated debt and adjusted total parent debt is an important measure to monitor leverage and credit ratings and evaluate the Company's balance sheet. The adjustments made in these non-GAAP financial measures exclude items that management believes does not most accurately reflect the Company's fundamental business performance. These excluded items are reflected in the reconciliation tables, where applicable. CenterPoint Energy's Utility EPS, adjusted consolidated debt and adjusted total parent debt non-GAAP financial measures should be considered as a supplement to, and not as a substitute for, or superior to, diluted earnings per share, total debt, net and total parent 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.

## Dave Lesar

President and CEO



## TAKEAWAYS FROM Q3 2020 EARNINGS CALL

High end of **5%-7%** guidance basis Utility EPS growth target <sup>(1)</sup>

**\$16B+** capital investment plan (\$3B increase)

**~10%** rate base CAGR <sup>(2)</sup>

Investment in **renewables**

Sale of 1-2 **gas LDCs**

**1% - 2%** annual reduction in O&M <sup>(3)</sup>

Improved **balance sheet optionality**

**Enable** investment evaluation

Notes: Refer to slide 2 for information on forward-looking statements and slide 3 for information on 2020 guidance basis Utility EPS assumptions and non-GAAP measures.

(1) Refers to guidance basis Utility EPS annual growth rate over 2021 – 2025

(2) Refers to CNP Rate Base CAGR target from 2020E to 2025E

(3) Inclusive of Houston Electric, Indiana Electric Integrated and Natural Gas Distribution business segments. Excluding utility costs to achieve, severance costs and amounts with revenue offsets

## MEET THE TEAM



**Dave Lesar**

President and Chief Executive Officer



**Jason Wells**

EVP and Chief Financial Officer



**Kenny Mercado**

SVP of Electric Utility



**Scott Doyle**

EVP of Natural Gas



**Gregory Knight**

EVP of Customer Transformation  
and Business Services



**Kristie Colvin**

SVP and Chief Accounting Officer



**Monica Karuturi**

SVP and General Counsel



**Jason Ryan**

SVP of Regulatory Services  
and Government Affairs



**Lynne Harkel-Rumford**

SVP and Chief Human Resources Officer



**Tom Webb**

Senior Advisor

# INVESTOR DAY AGENDA

## Introduction

Dave Lesar – President and Chief Executive Officer

## Winning Recipe

Tom Webb – Senior Advisor

## New Model

Jason Wells – EVP and Chief Financial Officer

## Financial Plan

Jason Wells – EVP and Chief Financial Officer

## Core Utility Platforms: Electric & Natural Gas

Kenny Mercado – SVP of Electric Utility  
Scott Doyle – EVP of Natural Gas

## Key Takeaways

Dave Lesar – President and Chief Executive Officer

..... Brief Intermission .....

## Customer-centric Mindset

Gregory Knight – EVP of Customer Transformation  
and Business Services

## Q&A Session

Management Panel

## OUR VALUE PROPOSITION

Delivering **industry-leading guidance basis Utility EPS growth** of 6% - 8% <sup>(1)</sup>

Achieving **exceptional rate base CAGR** of ~10% <sup>(2)</sup>

Serving **fast-growing regions** of the U.S.

Reducing O&M <sup>(3)</sup> 1% - 2% annually via **continuous improvement**

Taking a **leading stance on ESG** with coal retirements and renewable hydrogen pilots

Selling 2 Gas LDCs to **efficiently recycle capital** to fund growth

Focusing on **balance sheet optimization**

Working towards **minimizing exposure to midstream**

Note: Refer to slide 2 for information on forward-looking statements and slide 3 for information on guidance basis Utility EPS assumptions and non-GAAP measures.

(1) Refers to guidance basis Utility EPS annual growth rate for 2021 – 2025

(2) Refers to CNP Rate Base CAGR target from 2020E to 2025E

(3) Inclusive of Houston Electric, Indiana Electric Integrated and Natural Gas Distribution business segments. Excluding utility costs to achieve, severance costs and amounts with revenue offsets



## Jason Wells

EVP and Chief Financial Officer



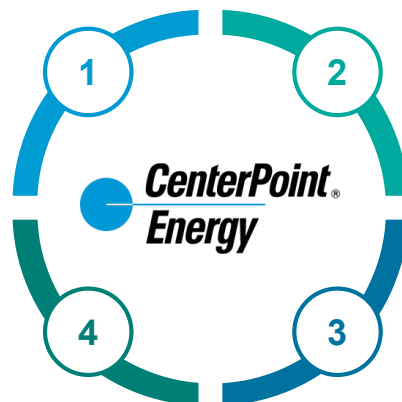
## NEW MODEL, NEW PLAN....

### Utility Investment - Grow

- ✓ **\$16B+** five-year capital investment plan
- ✓ **~10%** five-year rate base CAGR <sup>(1)</sup>
- ✓ Increasing annual guidance basis Utility EPS growth to **6% - 8%** <sup>(2)</sup>

### Operational Excellence – Accelerate

- ✓ **1%-2%** annual O&M reductions <sup>(3)</sup>
- ✓ Productivity and continuous improvement mindset
- ✓ Technology improvements



### Constructive regulation

- ✓ Beneficial recovery mechanisms reduce regulatory lag
- ✓ Nearly **75%** of capital recovered through mechanisms
- ✓ Earning at-or-near allowed ROEs

### Customer Growth – Organic

- ✓ **1% to 2%+** growth service territories
- ✓ Strong economic activity
- ✓ Provides “headroom”

**....DELIVERING IMPROVED SERVICE FOR CUSTOMERS AND IMPROVED RETURNS FOR SHAREHOLDERS.**

Note: Refer to slide 2 for information on forward-looking statements and slide 3 for information on guidance basis Utility EPS assumptions and non-GAAP measures.

(1) Refers to CNP Rate Base CAGR target from 2020E to 2025E

(2) Refers to guidance basis Utility EPS annual growth rate for 2021 – 2025

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## Kenny Mercado

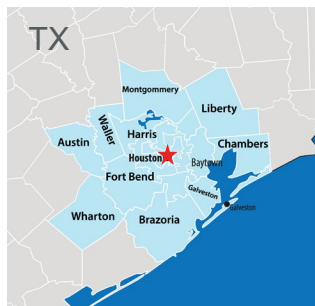
SVP of Electric Utility



# PREMIUM JURISDICTIONS WITH GROWTH RUNWAY....

## Houston Electric

- ~2.6M Metered Customers
- 3,500+ mi of Transmission Line
- 55,000+ mi of Distribution Line
- ~1/4 of ERCOT Summer Peak load



■ Houston Electric  
★ Company HQ

## Indiana Electric

- ~150k Metered Customers
- 1,000+ mi of Transmission Line
- 7,000+ mi of Distribution Line
- ~1,300 MW of Generation Capacity



■ Indiana Electric  
★ Natural gas utilities & Indiana electric HQ

## Value Proposition

- ✓ Robust capital investments serving:
  - Strong customer growth
  - Modern resiliency needs
- ✓ Significant renewable developments
- ✓ Constructive regulatory recovery mechanisms
- ✓ Strong, consistent O&M discipline
- ✓ Continued focus on safety and reliability

....RESILIENT, RELIABLE, AND CLEANER.

Note: Refer to slide 2 for information on forward-looking statements. Customer data as of September 30, 2020; Operational data as of December 31, 2019

# 10 STRAIGHT YEARS OF ANNUAL CUSTOMER GROWTH OF 2%+ <sup>(1)</sup> ....



## Houston Electric

- ~4,500 GWh **throughput increase** in commercial and industrial customers <sup>(2)</sup>
- The Texas Medical Center – **the 8th largest business district in the U.S.** – continues to expand
- **Increased industrial demand**
- **29 new or upgraded substations** planned from 2021 – 2025
- Bailey to Jones Creek is a 55-mile, **\$483M transmission project** expected to be energized by the end of 2021

**....DRIVES A ROBUST PIPELINE OF CAPITAL EXPENDITURES.**

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

(1) Refers to compound annual growth rate of Houston Electric's metered customer counts

(2) Houston Electric; from 2016 to 2019



## CONTINUED IMPROVEMENT ON RELIABILITY AND RESILIENCY....

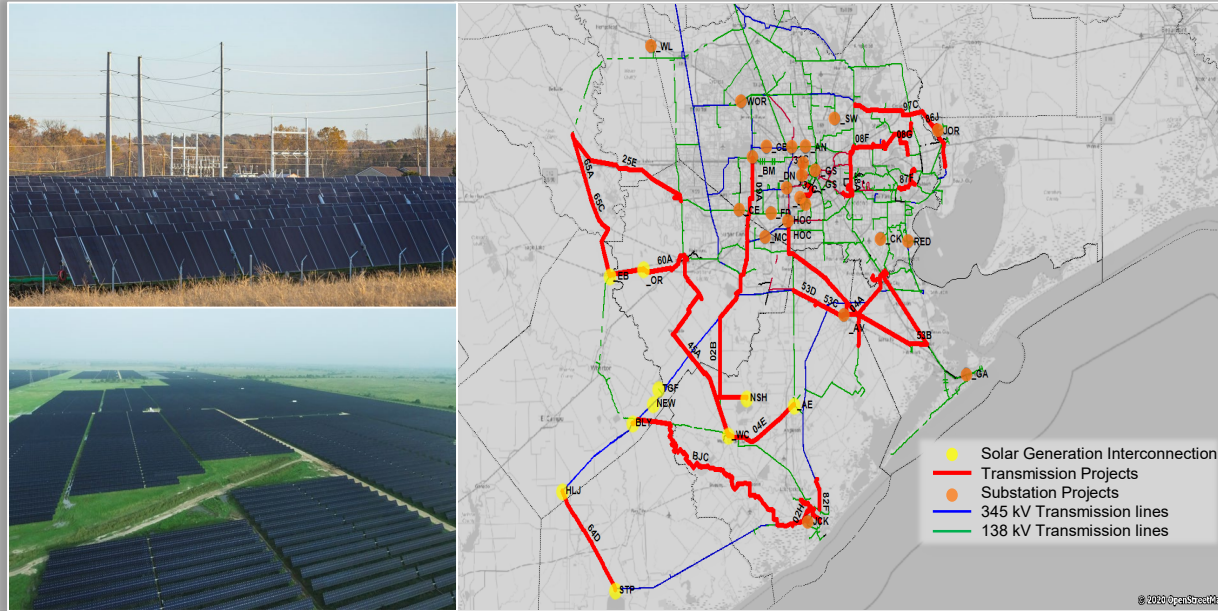


- Storm threat in the Gulf Coast:
  - 8 major storms in 2020
  - Responded to all mutual assistance requests
- Storm-resilient system:
  - Cable and pole inspection and replacement program
  - Condition-based replacement for substation breakers and transformers
  - Upgrade aged 69kV transmission lines to 138kV
- Hardening programs:
  - Intelligent grid restoration technology
  - Increased wind loading standards for pole structures
- Focus on safety of workforce, systems, customers, and others

**....IS THE HEART OF OUR BUSINESS.**

Note: Refer to slide 2 for information on forward-looking statements. Top image from NASA; tracking data from National Hurricane center.

# COMMITMENT TO DELIVERING CLEANER ENERGY....



## Texas:

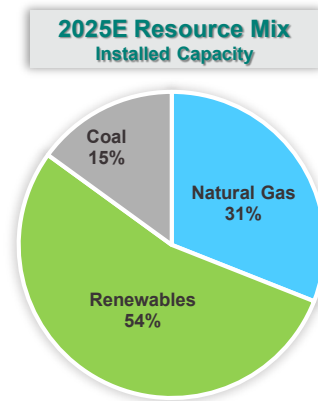
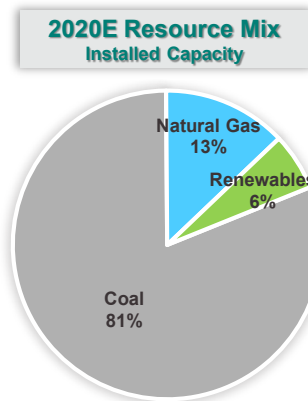
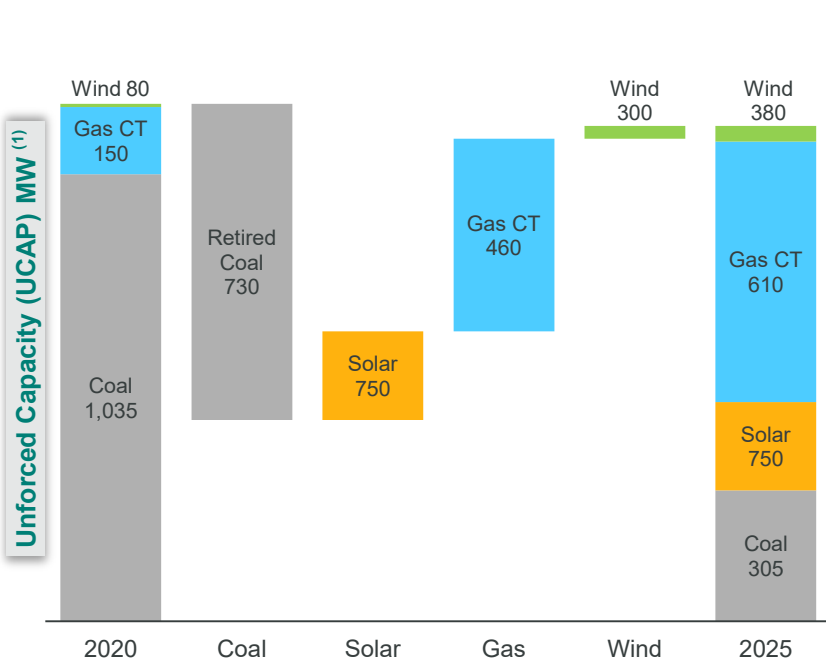
- Enabling **11 utility scale solar projects** in greater Houston area by 2022
- Anticipating **more renewable projects** to come online in 2023 and beyond
- Driving significant **expansion of existing transmission infrastructure**

....ENHANCES OUR CAPITAL INVESTMENT PIPELINE.

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



# LONG-TERM PIPELINE OF RENEWABLE OPPORTUNITIES...



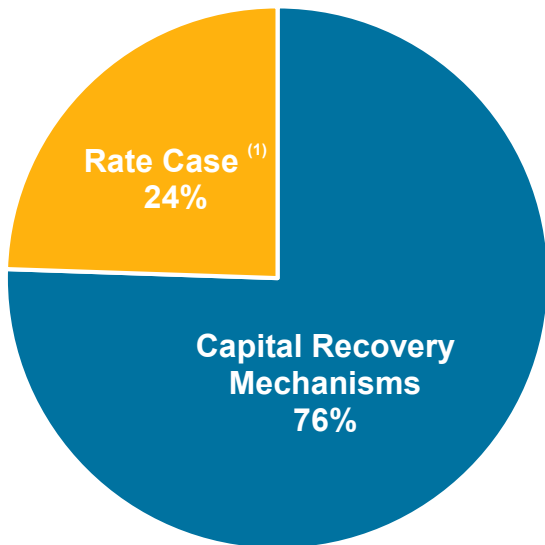
**80% Reduction  
in Coal generation  
by 2025 (2)**

**....DELIVERS CLEANER, GREENER, MORE COST-EFFECTIVE ENERGY FOR OUR CUSTOMERS IN INDIANA.**

Note: Refer to slide 2 for information on forward-looking statements.  
 (1) Labels on bar chart represent Installed Capacity (ICAP) values. Anticipate Midcontinent Independent System Operator (MISO) accreditation of ~25% for solar and ~9% for wind in 2025.  
 (2) As a percentage of total generation portfolio

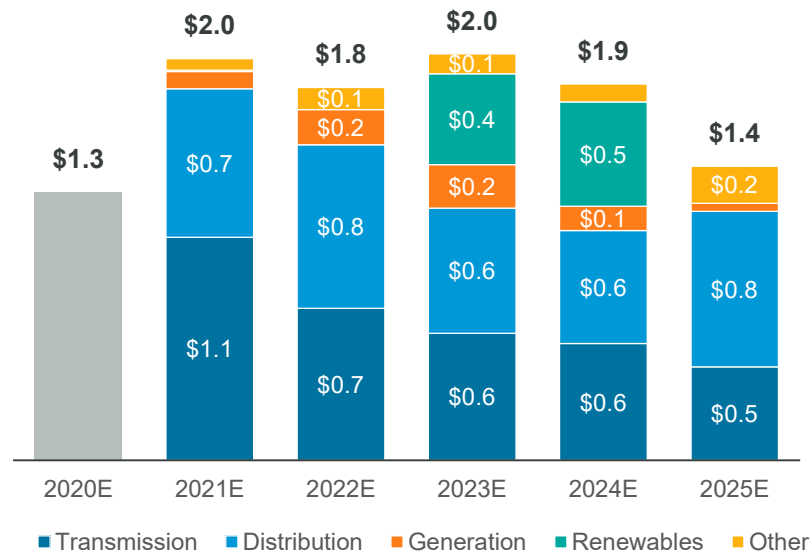
# CONSTRUCTIVE CAPITAL RECOVERY MECHANISMS SUPPORT TIMELY RECOVERY OF INVESTMENTS....

## Capital Recovery Mechanisms



## 2021 – 2025 CapEx Plan

\$ in billions



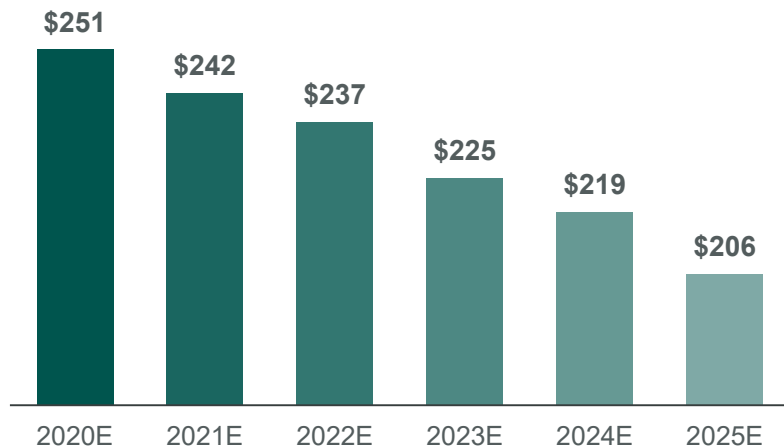
....OUR PLAN IS OPTIMIZED FOR ALL STAKEHOLDERS.

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

(1) Refers to capital expenditures that will be recovered through rate case and capital expenditures related to the Integrated Resource Plan (IRP) which requires Certificate of Public Convenience and Necessity (CPCN) approvals

## COST DISCIPLINE IS THE WAY WE DO BUSINESS....

### O&M per Customer <sup>(1)</sup>



### Highlights

- Consistent **1<sup>st</sup> quartile O&M per Customer performance** <sup>(2)</sup>
- Indiana Electric has **held O&M below 2012** spend since then
- Expanding our **‘lean’ management** program to achieve greater efficiencies in:
  - Vegetation management
  - Outage restoration
  - Substation maintenance
  - Major underground maintenance

....EVIDENCED BY O&M PER CUSTOMER REDUCTION EVERY YEAR.

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

(1) Inclusive of Houston Electric and Indiana Electric Integrated. Excluding utility costs to achieve, severance costs and amounts with revenue offsets. Customer counts per CNP's internal forecast.

(2) Houston Electric O&M performance as benchmarked against peers through First Quartile and PA Counseling's benchmarking study.

# CONTINUOUS IMPROVEMENT....

## Vegetation Management Analytics Technology

### What:

Use satellite imagery and artificial intelligence to optimize vegetation management

### Why:

- ✓ Prioritize high-risk areas
- ✓ Improve reliability and safety
- ✓ Maximize value

**RMT001-80**

Vegetation score: **C** Priority score: **P3**

Attributes | KPIs

Total area	1,053 m <sup>2</sup>
Tree coverage	69.1%
Max tree height	24 m
Avg tree height	17 m
Tree height over 15m	100%
Tree height over 10m	100%
Tree dispersion	3.1 m

**CORRIDOR\_SEG\_OHC\_3815342**

Vegetation score: **D** Priority score: **P4**

Recommended actions: Site inspection (2), Red flag inspections (3), Trimming (1)

Attributes | KPIs

Total area	0.86 acre
Tree coverage	44%
Total length	0.34 miles

Recommended action	Corridor Segment List	Corridor List	Region
Site inspection	14361	CR01	Crockett
Pruning	15065	CR01	Crockett
Red flag inspection	21818	WT02	Wirt
Pruning	21821	WT03	Wirt
Red flag inspection	20553	WT03	Wirt
Site inspection	13570	WT08	Wirt
Pruning	21838	WT07	Wirt
Pruning	20578	WT05	Wirt

....DRIVES MORE EFFICIENT VEGETATION MANAGEMENT AND IMPROVED RELIABILITY AND SAFETY.

## Scott Doyle

EVP of Natural Gas



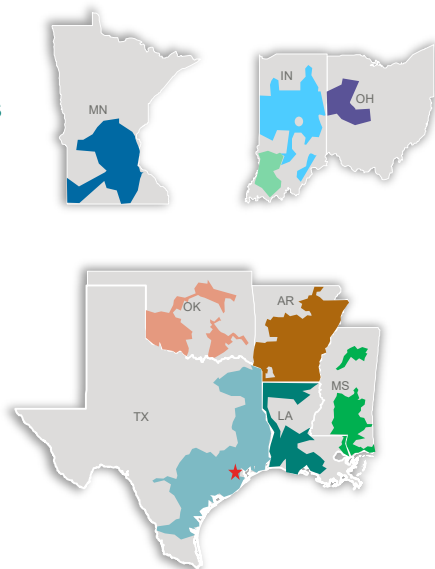
# PREMIUM JURISDICTIONS WITH GROWTH RUNWAY....

## Gas LDCs

~4.6M Metered Customers

98k mi of Main

- Northern Indiana Gas
- Southern Indiana Gas
- Oklahoma Gas
- Louisiana Gas
- Minnesota Gas
- Ohio Gas
- Arkansas Gas
- Texas Gas
- Mississippi Gas
- ★ Company HQ



## Value Proposition

- ✓ **Largest Gas Utility based on miles of main**
- ✓ **Robust capital investments**
  - Over 2% customer growth in Houston and Central TX Corridor (Austin, San Antonio); over 1% in other jurisdictions in the past decade
  - Long runway of system modernization opportunity
- ✓ **Constructive regulatory mechanisms**
- ✓ **Strong, consistent O&M discipline**
- ✓ **Continued focus on safety and reliability**

....SAFE, MODERN, AND GROWING.

Note: Refer to slide 2 for information on forward-looking statements. Customer data as of September 30, 2020; Operational data as of December 31, 2019

## COMMITMENT TO SYSTEM SAFETY AND RELIABILITY....



### Infrastructure Modernization

- ❑ Belt line replacement in Minnesota
- ❑ Cast iron replacement in Indiana and Ohio
- ❑ Integrity Management Replacement Program in all service territories

### Metering Infrastructure

- ❑ Enhanced safety
- ❑ Efficient service delivery features

....DRIVES LONG-TERM CAPITAL EXPENDITURE PLAN.

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

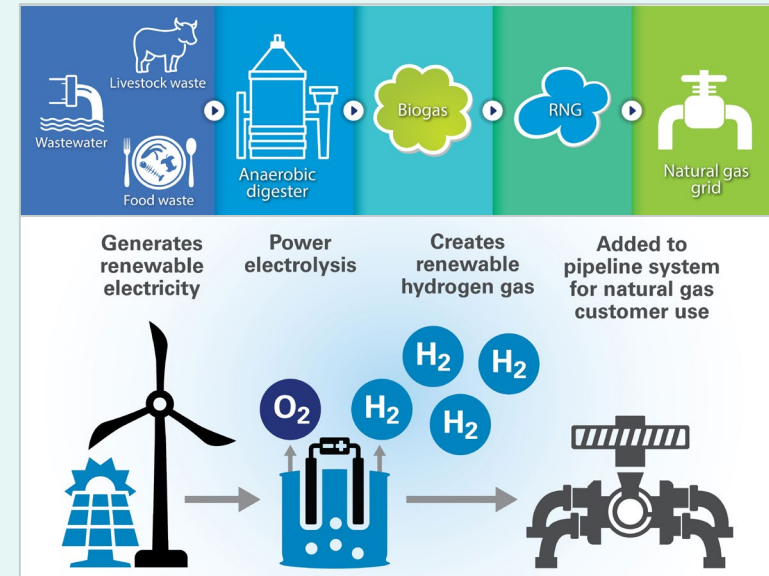


# FOCUSED ON ENABLING ENERGY TRANSFORMATION TO....

## Clean Foundation

- Natural Gas = **Significant efficiency and cost advantage**
- **Emissions reductions** from our pipe replacements
- **First of its kind** customer emissions reduction goal through:
  - ✓ Hydrogen
  - ✓ Renewable Natural Gas
  - ✓ Energy Efficiency

## Cleaner Energy

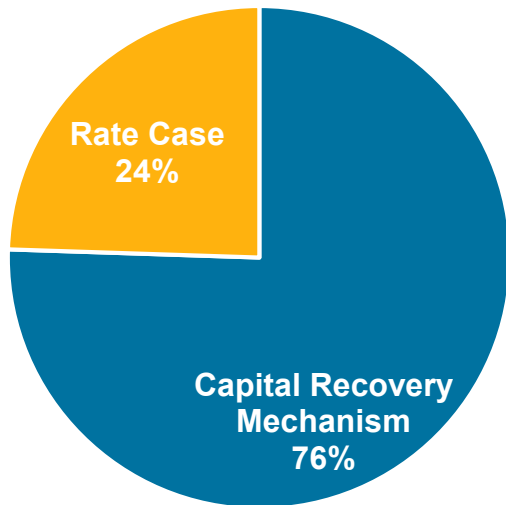


....GREENER ENERGY.

Note: Left image from National Ocean and Atmospheric Administration; Right image from U.S. Energy Information Administration

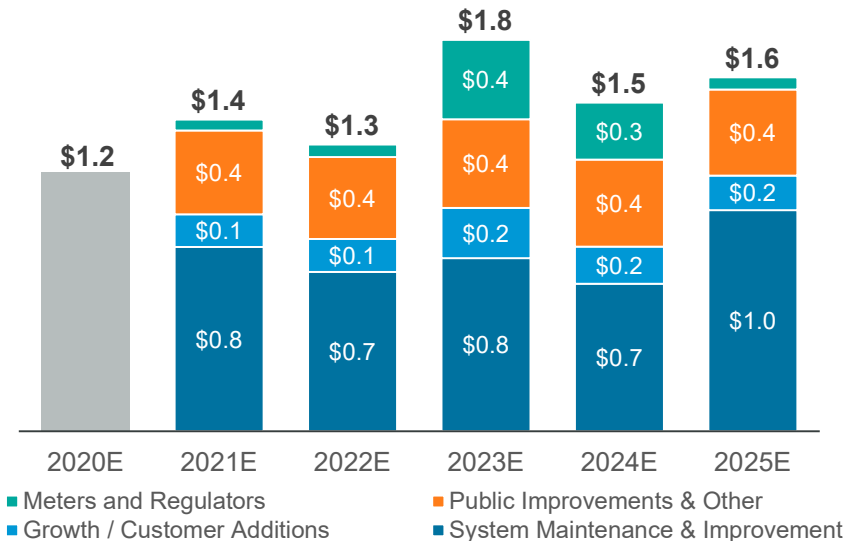
# CONSTRUCTIVE CAPITAL RECOVERY MECHANISMS SUPPORTS TIMELY RECOVERY OF INVESTMENTS....

## Capital Recovery Mechanisms



## 2021 – 2025 CapEx Plan

\$ in billions



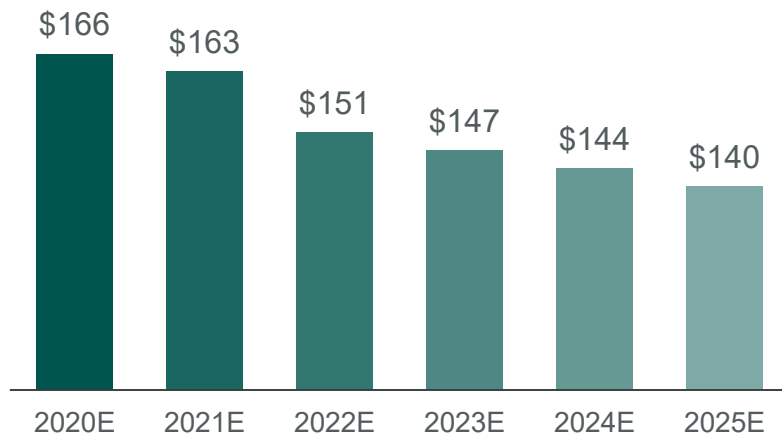
....OUR PLAN IS OPTIMIZED FOR ALL STAKEHOLDERS.

Note: Refer to slide 2 for information on forward-looking statements. Includes the effect of certain LDCs dispositions expected to be completed by 2022.

## COST DISCIPLINE IS THE WAY WE DO BUSINESS....

### O&M per Customer <sup>(1)</sup>

### Highlights



- **Top quartile in O&M per Customer performance** since 2016 <sup>(2)</sup>
- Expanding our **‘lean’ management** program to achieve greater efficiencies in:
  - Pipeline Replacements
  - Next Generation meter Infrastructure
  - Leak Survey Innovation

....EVIDENCED BY O&M PER CUSTOMER REDUCTION EVER YEAR.

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

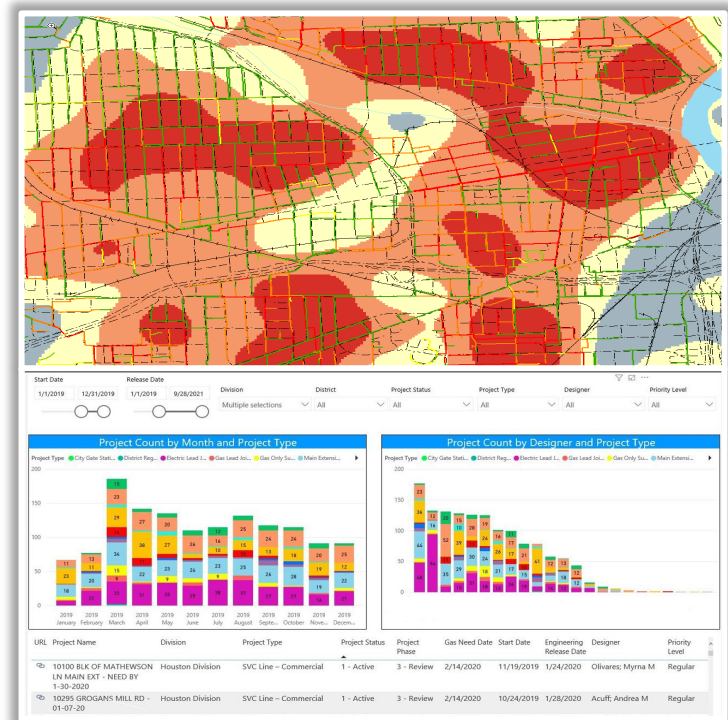
(1) A composite of all jurisdictions in Natural Gas Distribution business segment. Excluding utility costs to achieve, severance costs and amounts with revenue offsets. Includes the effect of certain LDCs dispositions expected to be completed by 2022. Customer counts per CNP internal forecast.

(2) Compared to natural gas LDC peers per AGA benchmarking study

# CONTINUOUS IMPROVEMENT....

## Leak Survey Innovation

- ✓ Modernized leak survey tool
- ✓ Leads to more efficient resolution of identified leaks
- ✓ Leads to more efficient capital replacements
- ✓ Leads to lower system maintenance
- ✓ Leads to safer operations



....DRIVES MORE EFFICIENT CAPITAL PLANNING AND SYSTEM MAINTENANCE.

## Gregory Knight

EVP of Customer Transformation  
and Business Services



# CUSTOMER SATISFACTION CREDENTIALS....

## J.D. POWER

# #1

in Customer Satisfaction with Residential Natural Gas Service in the South 2017, 2018, 2019



**Gold Award** – Best Practice among large utilities in Outage Communications (As a result of Hurricane Harvey)



# #2

in Customer Satisfaction among Investor-Owned Utilities and Energy Utility Sector 2019 (#1 in 2017 and 2018)



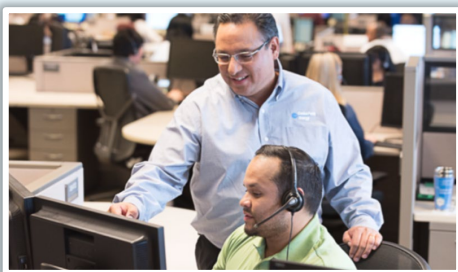
escalent

2020 **Most Trusted** Utility Designation  
2020 Easiest Utilities to do Business With  
2020 **Best** Utility TX **TDSP** for **Brand Trust**  
**Product Experience**  
**Service Satisfaction**

....VALIDATE INDUSTRY-LEADING CUSTOMER PERFORMANCE.

# CONTINUOUS IMPROVEMENT DELIVERS....

## Customer-centric



- Customer Effort Score and Customer Satisfaction: part of incentive program
- Texas Electric Outage Notification achieving outstanding 88% satisfaction & 90% call deflection

## Efficient Operations

- Unifying ERP system in 2021
- Workforce automation
- Enabled 98% of contact center employees with remote capabilities

### Call routing and Self-service

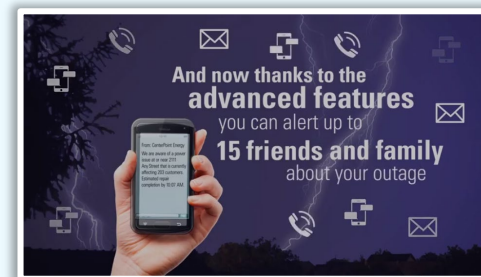
**~74% of SAP transactions**

**today are self-service**

(8% increase from 2017)

## Innovative Cost Control

- Customer Experience O&M per customer on track to be reduced by 1% - 2% YoY
- Consolidation of contact centers & billing
- Aggressive vendor optimization plan
- Digital channels & self-service platforms



**....EFFICIENT AND INNOVATIVE CUSTOMER AND BUSINESS SOLUTIONS.**

Note: Refer to slide 2 for information on forward-looking statements. ERP: Enterprise Resource Planning



# INVESTMENTS ARE MADE....



....TO ENABLE AND DELIVER MORE FOR CUSTOMERS.

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

(1) Based on 2005 level

(2) Based on 8,105 responses, surveyed through 10/31/2020

(3) Combination of participated customers in TX, AR, OK, MN, MS, IN, and OH from 2015 - 2019

## Tom Webb

Senior Advisor

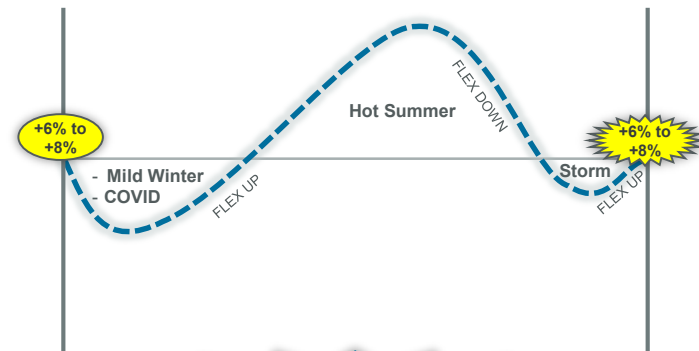


# CONSISTENT, PREMIER PERFORMANCE....

## OPERATING EXCELLENCE

	Future CNP	Peer Avg <sup>(3)</sup>
Rate Base Growth	10% <sup>(1)</sup>	7%
EPS Growth	6% - 8% <sup>(2)</sup>	5%
Customer Growth	~2%	Flat
O&M Cost	Down 1% to 2%	+1%
Customer Satisfaction	Top Quartile	Avg

## EARNINGS PER SHARE GROWTH <sup>(2)</sup>



**We sweat the details...  
....so you don't have to.**

**....FOR CUSTOMERS AND INVESTORS.**

Note: Refer to slide 2 for information on forward-looking statements and slide 3 for information on guidance basis Utility EPS assumptions and non-GAAP measures.

(1) Refer to CNP rate base CAGR target from 2020E to 2025E

(2) Refers to guidance basis Utility EPS and guidance basis Utility EPS annual growth rate for 2021 – 2025

(3) Peer historical average from 2015 - 2019

# CULTURE OF CONTINUOUS IMPROVEMENT....

## ACCELERATES

- **Safety** – Every day
- **Quality** – The first time
- **Delivery** – On time
- **Cost** – See, eliminate waste
- **Morale** – Proud to serve

**Eliminate  
Human Struggle**

## O&M COST SAVINGS

	<u>Plan 2021 – 2025</u> (million)
<b><u>Good Business Decisions</u></b>	
• Attrition	\$20
• Carbon Reduction (Coal → Gas → Renewables)	25
• Enhanced Capitalization	20
• Automation	10
<b><u>Continuous Improvement</u></b>	<b>45</b>
• Other	(10)
<b>Savings <sup>(1)</sup></b>	<b><u>\$110+</u></b>
<b>Annual O&amp;M Cost Savings</b>	<b>-1% to -2%</b>

....IS ALL ABOUT CUSTOMERS AND INVESTORS.

Note: Refer to slide 2 for information on forward-looking statements.  
 (1) Expected cumulative O&M savings in 2021 – 2025 based on 2020 level

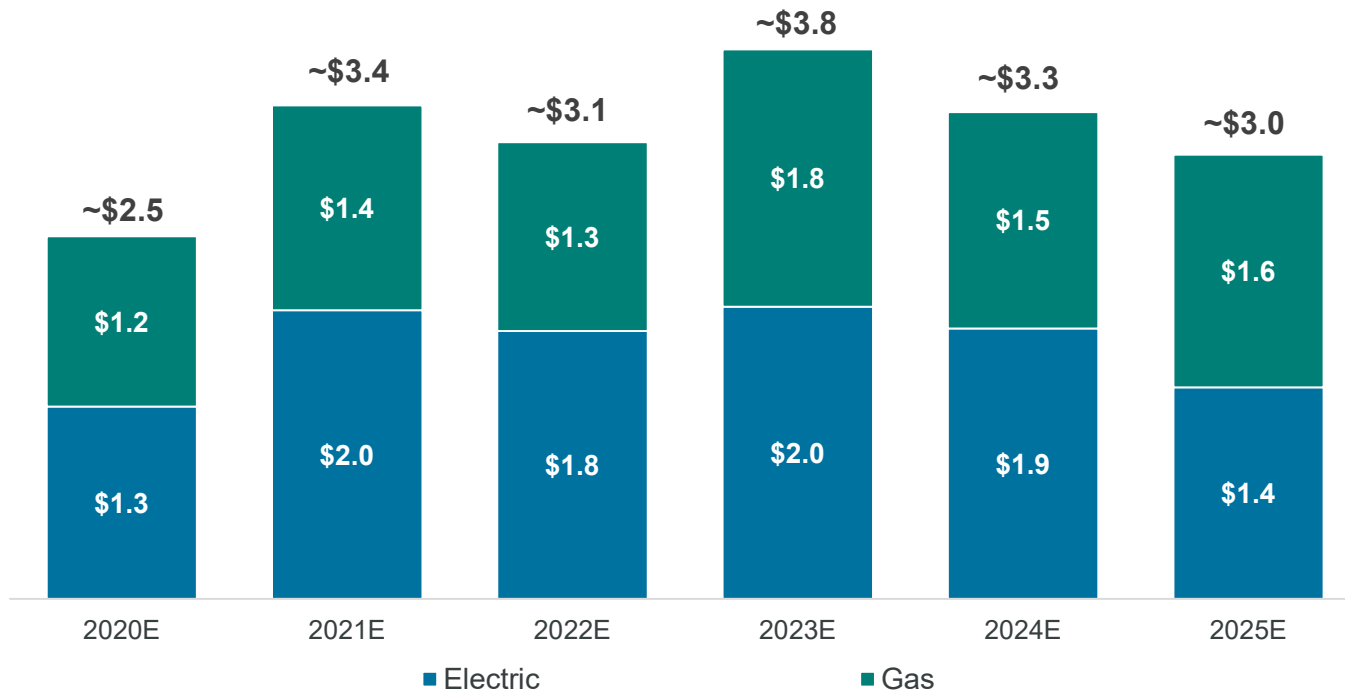
## Jason Wells

EVP and Chief Financial Officer



# 2021 – 2025 CAPITAL EXPENDITURE PLAN....

\$ in billions

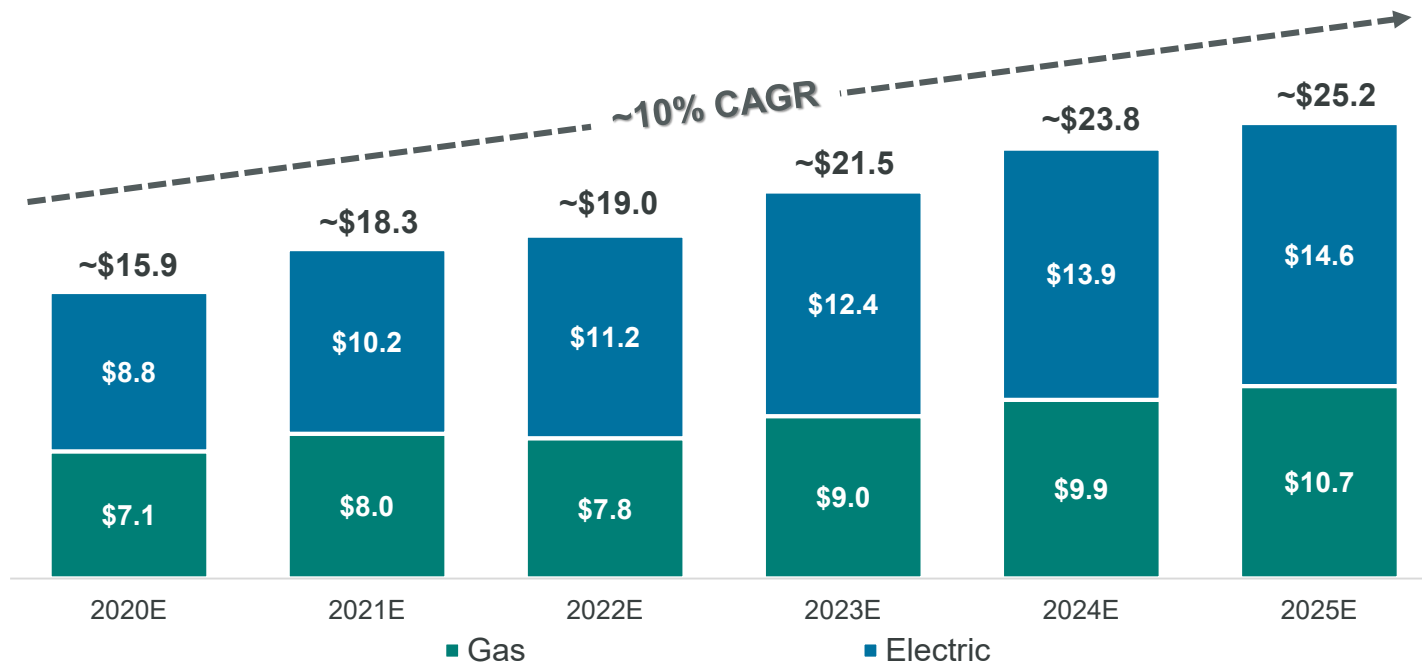


....OPTIMIZED TO IMPROVE SERVICE, SAFETY, RELIABILITY, AND MEET REGULATORY SCHEDULES.

Note: Refer to slide 2 for information on forward-looking statements. Includes the effect of certain LDCs dispositions expected to be completed by 2022. Numbers shown for 2024E do not add up due to rounding.

# 2020-2025 RATE BASE GROWTH....

\$ in billions

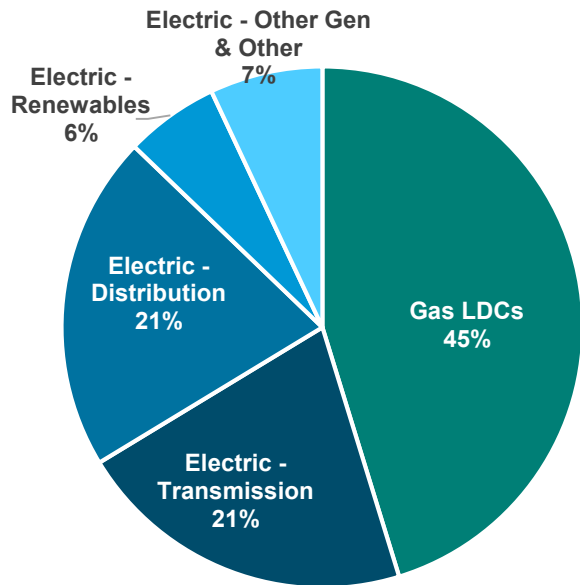


....DELIVERING INDUSTRY LEADING GROWTH.

Note: Refer to slide 2 for information on forward-looking statements. Includes the effect of certain LDCs dispositions expected to be completed by 2022. Numbers shown for 2021E, 2023E, and 2025E do not add up due to rounding.

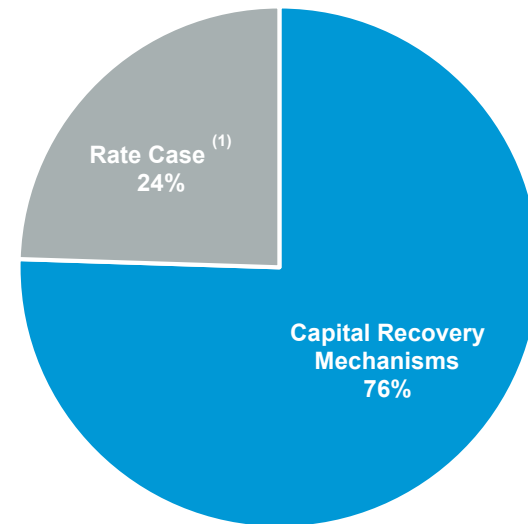


# BALANCED 2021 - 2025 CAPITAL EXPENDITURE PLAN....



**By Function**

**CapEx  
\$16B+**



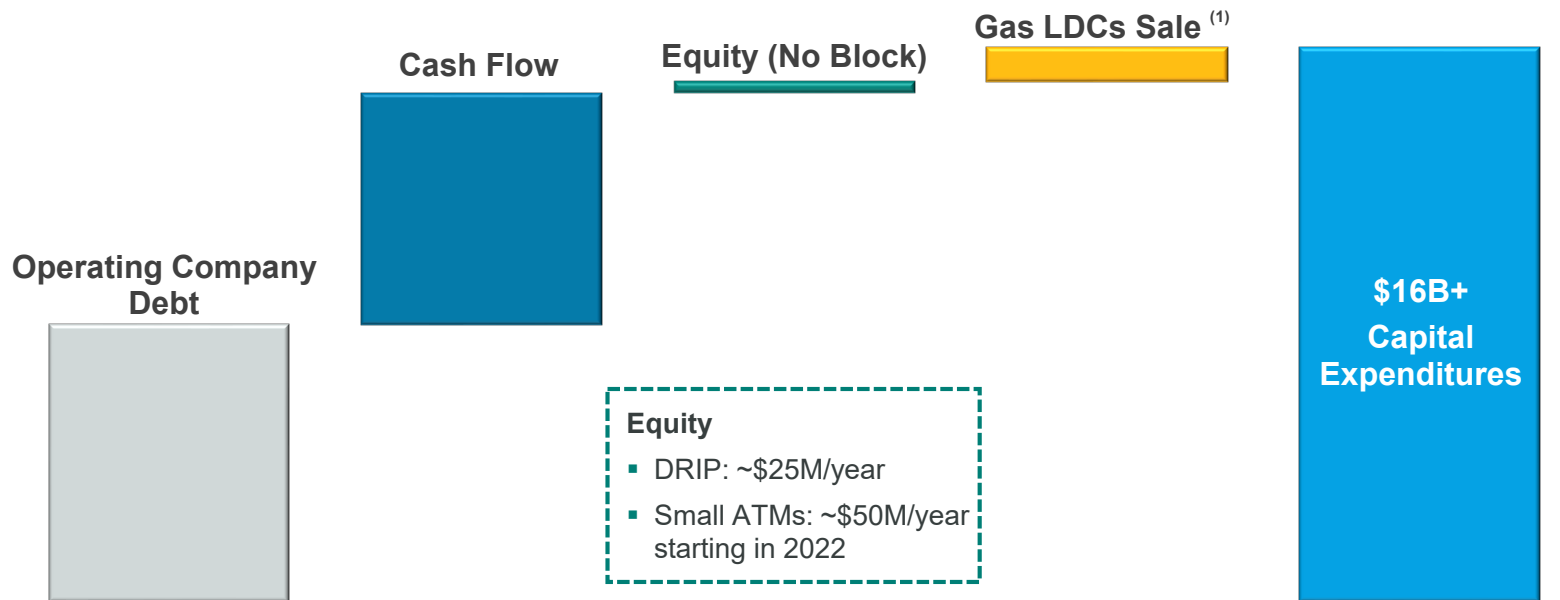
**Recovery**

**....ENHANCES CONFIDENCE OF EXECUTION AND RECOVERY.**

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

(1) Refers to capital expenditures that will be recovered through rate case and capital expenditures related to the Integrated Resource Plan (IRP) which requires Certificate of Public Convenience and Necessity (CPCN) approvals

# 2021 – 2025 FINANCIAL PLAN....

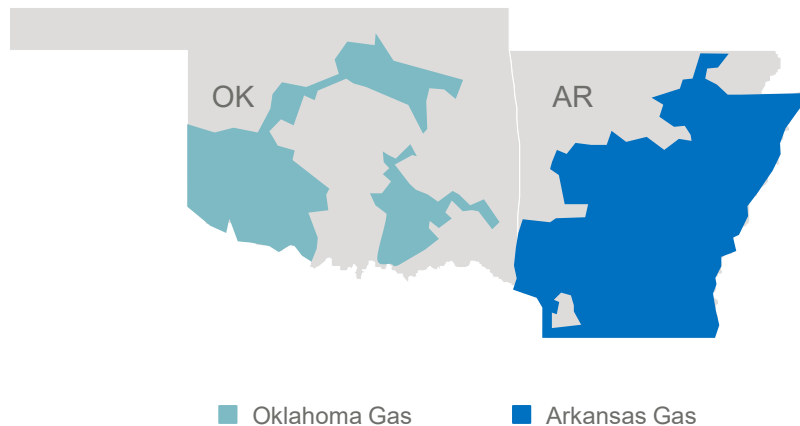


....EFFICIENTLY FUNDING REGULATED GROWTH.

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

(1) Proceeds will initially be used to pay down debt. Gas LDCs sale expected to be completed by 2022.

## SALE OF TWO NATURAL GAS LDCs.....



**Over 520,000**  
Metered Customers

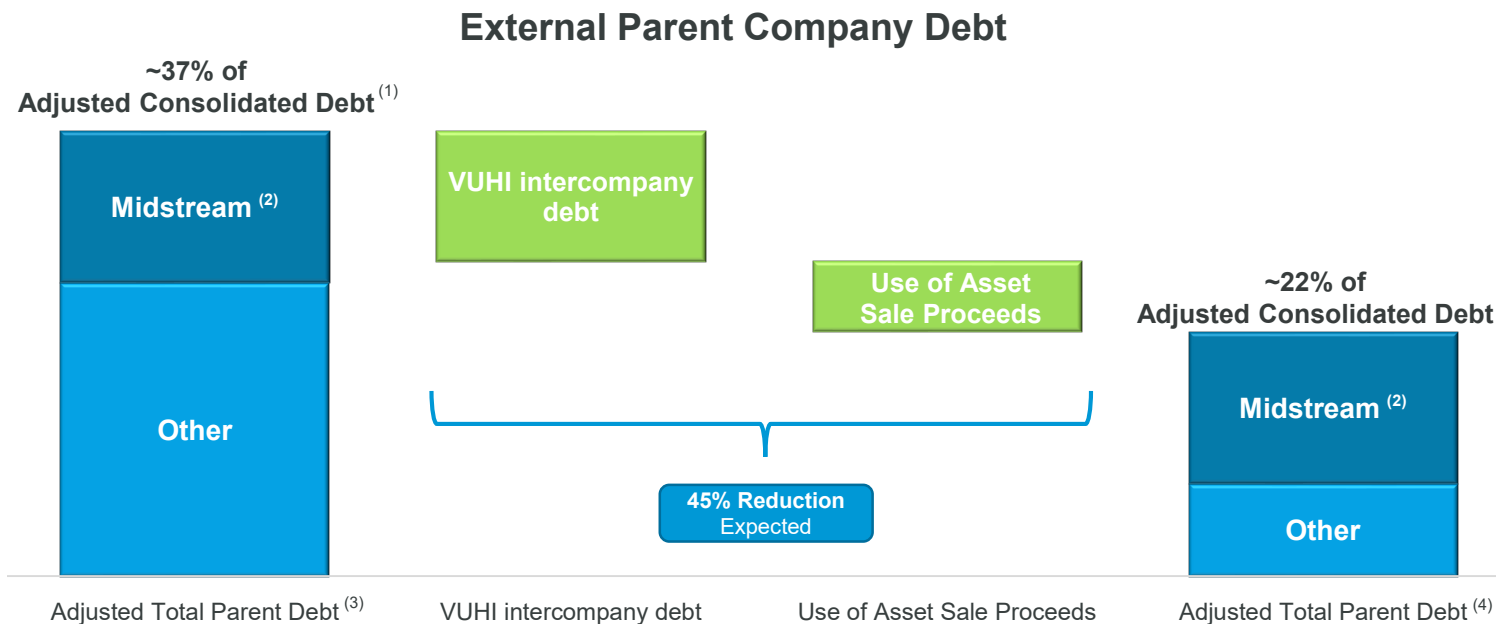
**~17,000**  
Miles of Main

**Year 2022**  
Expected Transaction Close

**....SUPPORTS EFFICIENT CAPITAL ALLOCATION.**

Note: Refer to slide 2 for information on forward-looking statements. Customer data as of September 30, 2020; Operational data as of December 31, 2019

# FOCUS ON STRONG INVESTMENT GRADE RATINGS AND METRICS....



**....ACHIEVABLE AT NO OR LOW COST.**

Note: Refer to slide 2 for information on forward-looking statements and slide 3 for information on non-GAAP measures. VUHI: Vectren Utility Holdings, Inc.

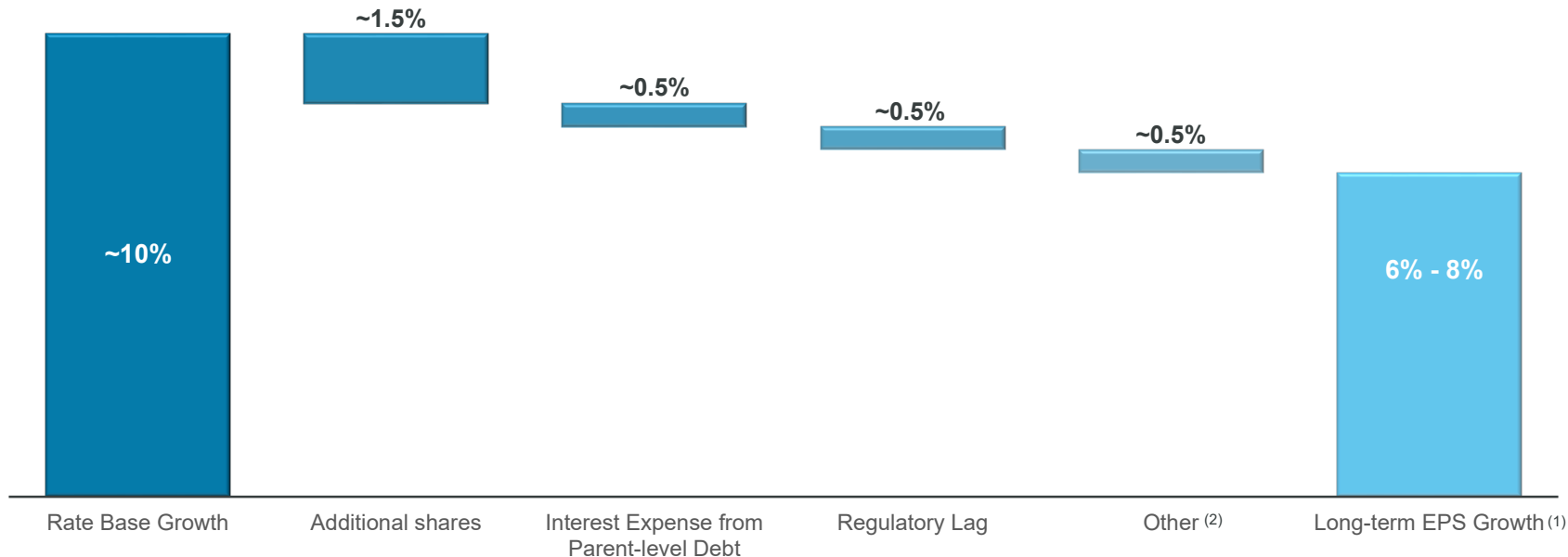
(1) See Appendix for reconciliation to non-GAAP measures

(2) Midstream debt includes \$1.2B intercompany note and \$363M debt which will be repaid upon redemption of Enable's preferred series A

(3) As of September 30, 2020. Excludes ZENS.

(4) Target adjusted total parent debt. Excludes ZENS.

# 2020-2025 RATE BASE GROWTH DRIVING 6% - 8% UTILITY EPS GROWTH <sup>(1)</sup> ....



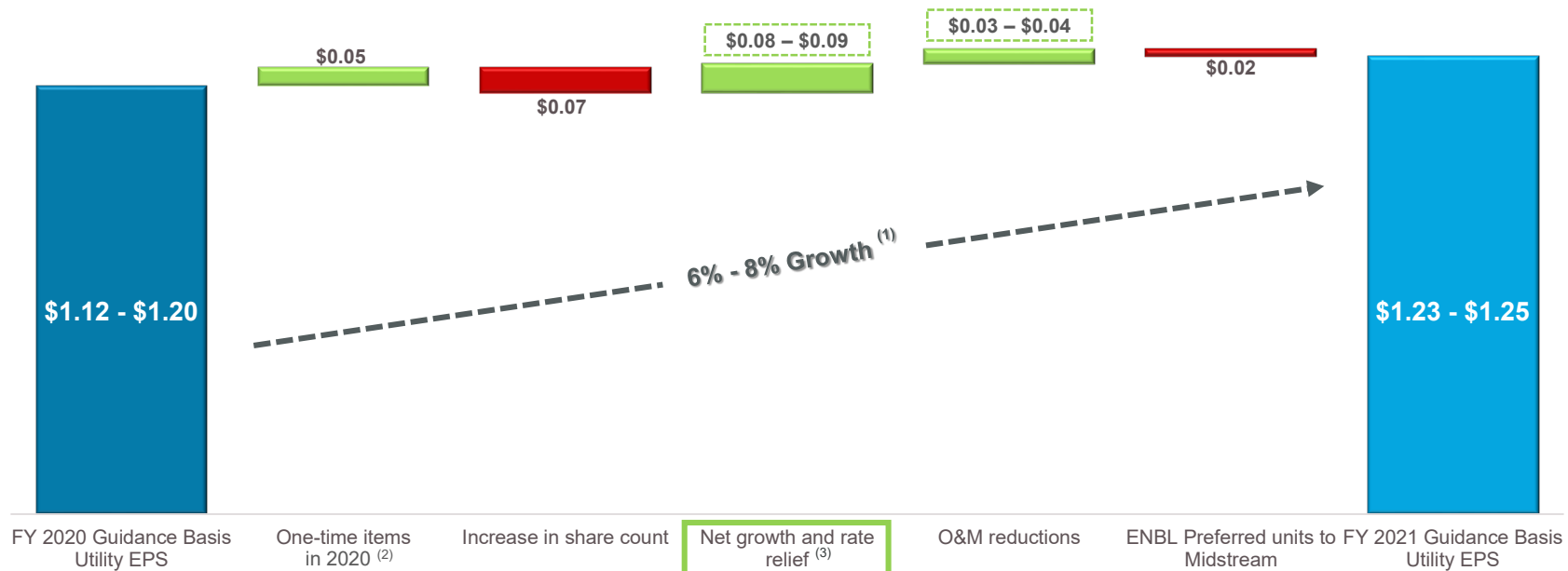
**....WITH STRUCTURAL HEADWINDS THAT CAN BE MANAGED.**

Note: Refer to slide 2 for information on forward-looking statements and slide 3 for information on guidance basis Utility EPS assumptions and non-GAAP measures.

(1) Refers to guidance basis Utility EPS and guidance basis Utility EPS annual growth rate for 2021 – 2025

(2) Includes loss of securitization equity return and an increasing corporate allocation to Utility, partially offset by miscellaneous drivers

# 2021 UTILITY EARNINGS GUIDANCE....



....ACHIEVABLE AND SUSTAINABLE.

Note: Refer to slide 2 for information on forward-looking statements and slide 3 for information on guidance basis Utility EPS assumptions and non-GAAP measures.

(1) Refers to guidance basis Utility EPS annual growth rate

(2) Includes COVID-19 impacts, the CARES Act and other income tax benefits

(3) Includes customer growth, rate relief, depreciation, interest expense, and other

## NEW CENTERPOINT ENERGY....

OLD MODEL <sup>(1)</sup>	
Capital Investment	~\$13B
Rate Base Growth	~7.5%
Guidance Basis Utility EPS Growth	5% - 7%
O&M Annual Growth	Up 1% to 2%
Gas LDC Jurisdictions	8



NEW MODEL <sup>(2)</sup>	
Capital Investment	\$16B+
Rate Base Growth	~10%
Guidance Basis Utility EPS Growth	6% - 8%
O&M Annual Growth	Down 1% to 2%
Gas LDC Jurisdictions	6

....**STRONGER, MORE PREDICTABLE.**

Note: Refer to slide 2 for information on forward-looking statements and slide 3 for information on guidance basis Utility EPS assumptions and non-GAAP measures.

(1) Refers to 2020E – 2024E Five-year Capital Expenditure plan, CNP Rate Base CAGR target from 2019E to 2024E, and guidance basis Utility EPS annual growth rate for 2021 – 2025 per previous guidance

(2) Refers to 2021E – 2025E Five-year Capital Expenditure plan, CNP Rate Base CAGR target from 2020E to 2025E, and guidance basis Utility EPS annual growth rate for 2021 – 2025 per current guidance



## Dave Lesar

President and CEO



## OUR VALUE PROPOSITION

Delivering **industry-leading guidance basis Utility EPS growth** of 6% - 8% <sup>(1)</sup>

Achieving **exceptional rate base CAGR** of ~10% <sup>(2)</sup>

Serving **fast-growing regions** of the U.S.

Reducing O&M <sup>(3)</sup> 1% - 2% annually via **continuous improvement**

Taking a **leading stance on ESG** with coal retirements and renewable hydrogen pilots

Selling 2 Gas LDCs to **efficiently recycle capital** to fund growth

Focusing on **balance sheet optimization**

Working towards **minimizing exposure to midstream**

Note: Refer to slide 2 for information on forward-looking statements and slide 3 for information on guidance basis Utility EPS assumptions and non-GAAP measures.

(1) Refers to guidance basis Utility EPS annual growth rate for 2021 – 2025

(2) Refers to CNP Rate Base CAGR target from 2020E to 2025E

(3) Inclusive of Houston Electric, Indiana Electric Integrated and Natural Gas Distribution business segments. Excluding utility costs to achieve, severance costs and amounts with revenue offsets



Please **mute your webcast** and **listen to the audio from your phone**  
if you are participating in Q&A



**We  
Deliver.**

**Energy.....**

Reliability.

Service.

Value.

Innovation.

# APPENDIX



# CENTERPOINT ENERGY ADJUSTED TOTAL PARENT DEBT AS A PERCENTAGE OF ADJUSTED CONSOLIDATED DEBT

	9/30/2020		9/30/2020
<b>CenterPoint Energy Consolidated</b>		<b>CenterPoint Energy Parent Company</b>	
(\$ in millions)		Short-term Debt:	
Short-term Debt:		Short-term borrowings	-
Short-term borrowings	37	Indexed debt (ZENS)**	16
Current portion of transition and system restoration bonds	208	Current portion of other long-term debt	-
Indexed debt (ZENS)**	16	Long-term Debt:	
Current portion of other long-term debt	1,114	CNP Inc. Commercial Paper	638
Long-term Debt:		CNP Inc. Credit Facility Borrowings	-
Transition and system restoration bonds, net*	610	CNP Inc. Term Loan	700
Other, net	<u>11,336</u>	Pollution Control Bonds	68
Total Debt, net	13,321	CNP Inc. Senior Notes	3,200
Less:		Unamortized Discounts and Issuance Costs	<u>(25)</u>
Indexed Debt (ZENS)**	16	Total Parent Debt, net	4,587
Current portion of transition and system restoration bonds	208	Less:	
Transition and system restoration bonds, net*	<u>610</u>	Indexed Debt (ZENS)**	<u>16</u>
Adjusted Consolidated Debt	12,487	Adjusted Total Parent Debt	4,581
		<b>Adjusted Total Parent Debt to Adjusted Consolidated Debt</b>	<b>37%</b>

Note: Refer to slide 3 for information on non-GAAP measures.

\* The transition and system restoration bonds are serviced with dedicated revenue streams, and the bonds are non-recourse to CenterPoint Energy and CenterPoint Energy Houston Electric.

\*\* The debt component reflected on the financial statements was \$16 million as of September 30, 2020. The principal amount on which 2% interest is paid was \$828 million on September 30, 2020. The contingent principal amount was \$61 million as of September 30, 2020. At maturity or upon redemption, holders of ZENS will receive cash at the higher of the contingent principal amount or the value of the reference shares of AT&T and Charter Communications, Inc.