



CenterPoint Energy Applies for \$200 Million Federal Stimulus Grant to Accelerate Current Smart Meter Project and Begin Building Self-Healing Grid

Scalable, replicable smart grid would increase electric service reliability for the nation's 4th largest city and 'energy capital of the world'

HOUSTON, Aug 05, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- CenterPoint Energy, Inc. (NYSE: CNP) announced that on Aug. 4, its electric transmission and distribution subsidiary, CenterPoint Energy Houston Electric LLC, applied to the U.S. Department of Energy for a \$200 million grant for a project titled "Houston's Smart Grid: Transforming the Future of Electric Distribution & Energy Consumption."

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

The project involves two distinct but interdependent parts. If granted, CenterPoint Energy Houston Electric will use \$150 million of the requested \$200 million grant to accelerate its current smart meter and associated equipment installation that make up its Advanced Metering System (AMS). The \$50 million balance will be used to accelerate the installation of the first phase of CenterPoint Energy Houston Electric's Intelligent Grid (IG) that utilizes the AMS and other technologies to build a self-healing grid, and improve operational efficiency and reliability.

"CenterPoint Energy's electric infrastructure is critical to the international commerce that flows through our Texas Gulf Coast service territory, which is susceptible to hurricanes," said Tom Standish, group president of Regulated Operations for CenterPoint Energy. "We're committed to strengthening the company's electric grid to increase reliability and speed restoration following outages. Our Smart Grid alliance, including company personnel, together with consultants from IBM, GE, Itron, and Quanta who have subject matter expertise, firsthand knowledge of our company and the electric industry, and proficiency in Texas' competitive electricity market, provides for a level of skill, experience and know-how that is unmatched in the industry."

CenterPoint Energy Houston Electric is a regulated electric utility whose rates, operations and services are subject to the jurisdiction of the Public Utility Commission of Texas. It provides electric transmission and distribution delivery services to more than two million metered customers in a 5,000-square-mile area of the Texas Gulf Coast, including Houston, the nation's 4th largest city and "energy capital of the world." Houston is also home to N.A.S.A., the Texas Medical Center and the Port of Houston Authority, the largest port in the U.S. in terms of foreign tonnage.

On behalf of the Retail Electric Providers (REPs), CenterPoint Energy Houston Electric delivers electricity from power generators to retail electric customers in locations throughout its service territory. Until the company's AMS is in place, REPs will be limited in offering dynamic pricing programs in the competitive Texas electric market. Once complete, CenterPoint Energy Houston Electric's IG will serve as an example of a fully integrated, scalable and replicable smart grid. The company will expand and use its Technology Center to test various smart grid components, to evaluate the security of new technologies and to educate consumers, vendors and others about the benefits of smart grid technology.

CenterPoint Energy Houston Electric's five-year smart meter deployment began in March 2009, and on Aug. 1, the company reached a significant milestone with the installation of 45,000 smart meters and started delivering enhanced smart meter functionality to REPs, including 15 minute interval energy usage data. By the end of the year, 145,000 smart meters will be installed along with the necessary communications infrastructure and computing systems. More than 2 million meters are expected to be installed system-wide by the project's completion in 2014 or by the end of 2012, with the aid of the federal grant money.

Visit CenterPointEnergy.com/EnergyInSight for the latest information on smart meters, including deployment maps for 2009 - 2014. A replay of the press conference will be available beginning on Thursday afternoon for one month at CenterPointEnergy.com/EnergyInSightPressConference.

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, interstate pipelines, and field services operations. The company serves more than five million metered customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Oklahoma, and Texas. Assets total nearly \$19 billion. With about 8,800 employees, CenterPoint Energy and its predecessor companies have been in business for more than 135 years. For more information, visit the Web site at

www.CenterPointEnergy.com.

This news release includes forward-looking statements. Actual events and results may differ materially from those projected. The statements in this news release regarding future financial performance and results of operations and other statements that are not historical facts are forward-looking statements. Factors that could affect actual results include the timing and impact of future regulatory and legislative decisions, effects of competition, weather variations, changes in CenterPoint Energy's or its subsidiaries' business plans, the timing and extent of changes in commodity prices, particularly natural gas, the impact of unplanned facility outages, and other factors discussed in CenterPoint Energy's and its subsidiaries' Form 10-Ks for the fiscal year ended December 31, 2008, CenterPoint Energy's and its subsidiaries' Form 10-Qs for the periods ended March 31, 2009, CenterPoint Energy's Form 10-Q for the period ended June 30, 2009, and other filings with the SEC.

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