



CenterPoint Energy reduces \$3.85 billion credit facility by \$1 billion

Avoids vesting of warrants - eliminates further potential dividend restriction

HOUSTON - May 30, 2003 - CenterPoint Energy, Inc. (NYSE:CNP) announced today that it has permanently reduced its bank credit facility to \$2.846 billion since it amended its \$3.85 billion credit facility on February 28, 2003.

"We're extremely pleased that we have been successful in permanently reducing our credit facility, which was necessary to avoid the vesting of the warrants we agreed to issue to the banks," said Gary L. Whitlock, chief financial officer of CenterPoint Energy. "In addition, we have eliminated the potential dividend limitation that might otherwise have applied beginning in 2004.

"Our company possesses strong business fundamentals, including large scale, diversified regulated businesses with a balanced mix of electric and natural gas assets and consistent, predictable earnings and cash flow. We believe that the market is now differentiating us from more volatile, unregulated energy companies," said Whitlock. "Now we can concentrate on what we do best - delivering electricity and natural gas safely and reliably."

The company has now met all the significant conditions contained in the amended credit facility, including the approval from the Securities and Exchange Commission to pledge the Texas Genco (NYSE:TGN) stock it owns as security for the credit facility.

CenterPoint Energy, Inc., headquartered in Houston, Texas, is a domestic energy delivery company that includes electric transmission and distribution, natural gas distribution and sales, interstate pipeline and gathering operations, and more than 14,000 megawatts of power generation in Texas. The company serves nearly five million customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Missouri, Oklahoma, and Texas. Assets total more than \$20 billion. CenterPoint Energy became the new holding company for the regulated operations of the former Reliant Energy, Incorporated in August 2002. With more than 11,000 employees, CenterPoint Energy and its predecessor companies have been in business for more than 130 years. For more information, visit the Web site at www.CenterPointEnergy.com.

This news release includes forward-looking statements. Actual events and results may differ materially from those projected. 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 business plans, financial market conditions and other factors discussed in CenterPoint Energy's filings with the Securities and Exchange Commission.

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