



CenterPoint Energy Receives PUC Ruling on True-Up Case; Company Moving to Securitize Approved Amount; Will Seek a Rehearing

HOUSTON, Nov 10, 2004 /PRNewswire-FirstCall via COMTEX/ -- CenterPoint Energy, Inc. (NYSE: CNP) expressed disappointment with the decision announced today by the Texas Public Utility Commission (PUC) which approved about \$2.0 billion of the company's electric transmission and distribution subsidiary's \$3.7 billion true-up request. The Commission also approved approximately \$300 million in interest bringing the total true-up recovery amount to about \$2.3 billion.

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

"Although the Commission's final order is essentially in line with what we have been expecting based on their earlier deliberations, we nevertheless are extremely disappointed in the decision today," said David M. McClanahan, president and chief executive officer for CenterPoint Energy. "We do not believe the Commission has followed the law or its own rulings on a number of very significant issues."

"We will review the Commission's decision carefully, prepare our motion for a rehearing and to the extent sufficient relief is not obtained through a rehearing, appeal to Texas' state courts, up to and including the Texas Supreme Court," said Scott Rozzell, executive vice president and general counsel for CenterPoint Energy. "In the meantime, we will attempt to work closely with the PUC staff and the intervening parties to get securitization bonds issued for the commission-authorized true-up balance while current bond market interest rates are favorable. Securitizing quickly should save customers hundreds of millions of dollars in interest costs."

CenterPoint Energy maintains the electrical system that delivers power to Houston-area customers, and charges a regulated delivery rate to retail electric providers. This delivery rate represents only a small part of customers' overall electric bill. Based on today's decision, securitizing the full amount determined by the PUC will increase the amount the company charges retail electric providers, which in turn increases the monthly bill for a PUC benchmark residential customer (1,000 kwh/month) by approximately \$3 per month.

CenterPoint Energy, Inc., headquartered in Houston, Texas, is a domestic energy delivery company that includes electric transmission & distribution, natural gas distribution and sales, interstate pipeline and gathering operations, and more than 14,000 megawatts of power generation in Texas, of which approximately 2,500 megawatts are currently in mothball status. The company serves nearly five million metered customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Oklahoma, and Texas. Assets total over \$19 billion. 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 <http://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 ultimate outcome of the true-up proceeding and any legal proceedings related thereto, the amount and timing of securitization of the amounts awarded in the true-up proceeding, the timing and impact of future regulatory and legislative decisions, successful consummation and timing of the sale of Texas Genco, effects of competition, weather variations, changes in CenterPoint Energy's or its subsidiaries' business plans, financial market conditions, 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 period ended December 31, 2003, Form 10-Qs for the periods ended March 31, 2004, and June 30, 2004, and September 30, 2004 and other filings with the Securities and Exchange Commission.

SOURCE CenterPoint Energy, Inc.

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