3rd Quarter 2014 Earnings Conference Call
November 5, 2014

Carla Kneipp – Vice President & Treasurer

Thank you, Thea. Good morning, everyone. Welcome to our third quarter 2014 earnings conference call. Thank you for joining us today. Scott Prochazka, president and CEO, Tracy Bridge, executive vice president and president of our Electric Division, Joe McGoldrick, executive vice president and president of our Gas Division and Gary Whitlock, executive vice president and CFO, will discuss our third quarter 2014 results and provide highlights on other key areas. Also present are other members of management who may assist in answering questions following the prepared remarks.

Investors and others should note that we may announce material information using SEC filings, press releases, public conference calls, webcasts and posts to the Investors' section 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 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.

Today, management is going to discuss certain topics that will contain projections and forward-looking information that are based on management's beliefs, as well as assumptions made by and information currently available to management. These forward-looking statements suggest predictions or expectations, and thus, are subject to risks or uncertainties. Actual results could differ materially based upon factors including weather variations, legislative and regulatory actions, timing and extent of the changes in commodity prices, growth or decline in our service territories, and other risk factors noted in our SEC filings.

For a reconciliation of the earnings guidance provided in today's call, please refer to our earnings press release, which along with our Form 10-Q and updated Debt Maturity and Equity Return Amortization schedules, has been posted on our Website, CenterPointEnergy.com, under the Investors' section. These materials are for informational purposes, and we will not be referring to them during prepared remarks.

With the formation of Enable Midstream Partners, the way we present our financial results has changed. As a result, we will refer to our equity investment in Enable as "Midstream Investments" and to the remainder of our businesses as "Utility Operations".

Before Scott begins, I would like to mention that a replay of this call will be available through Wednesday, November 12th. To access the replay, please call 855-859-2056, or 404-537-3406, and enter the conference ID number 98437335. You can also listen to an online replay on our Website and we will archive the call for at least one year. And with that, I will now turn the call over to Scott.

Scott Prochazka – President and CEO

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Thank you, Carla. Good morning everyone and thank you for joining us on CenterPoint Energy's third quarter 2014 earnings conference call.

During our Analyst and Investor Day and our last earnings call, we touched upon two themes that are central to our delivering best in class utility performance: organic investment and operational expertise. This morning I'm going to provide an overview of our 3rd quarter performance and then give a brief update on these topics.

Our businesses performed well despite the milder weather in the third quarter as compared to last year. Net income was 143 million dollars, or 33 cents per diluted share, compared with 151 million dollars, or 35 cents per diluted share for the same period in 2013.

On a guidance basis, third quarter 2014 earnings were 30 cents per diluted share, of which Utility Operations contributed 19 cents and Midstream Investments contributed 11 cents. This compares to 33 cents in the third quarter of 2013, of which Utility Operations contributed 21 cents and Midstream Investments contributed 12 cents.

Core operating income from Utility Operations was 203 million dollars this quarter, compared to 212 million dollars last year. We continue to benefit from strong economic growth in several of our larger service territories. We've added more than 85,000 customers in the last 12 months. Year-to-date we have invested 987 million dollars in capital compared with 907 million dollars through the third quarter of last year, an increase of around 9%. We remain on track to invest approximately 1.4 billion dollars in infrastructure by year end.

Our third quarter equity income from Midstream Investments was 76 million dollars compared to 75 million dollars in the same quarter of 2013, excluding basis difference accretion in both years. Enable held its third quarter earnings call yesterday and we are pleased with the strong results they presented.

We have received several questions about the downward pressure our stock price recently experienced associated with market volatility in the MLP sector. Our view is that lower oil prices negatively impacting the MLP sector had a disproportionately negative impact on Enable's unit price as well as CenterPoint's stock price. Enable discussed their commodity exposure during their earnings call yesterday and I would direct you to their published materials for the details. As a reminder, we own 55.4% of Enable's LP units and 40% of the general partner IDRs.

Enable's high-quality assets, strong customer relationships, balanced contract mix, and solid financial position make it a valuable component of our portfolio with a manageable risk profile. We expect Enable to continue to be a strong source of value creation in the years to come.

CenterPoint's value proposition remains unchanged. We offer investors exposure to vibrant, growing utility service territories coupled with an MLP growth accelerator that allows us to offer an industry leading dividend growth rate. We believe our valuation should reflect our proportional ownership of Enable plus an appropriate earnings multiple valuation for our high quality utilities.

Overall, we are pleased with the company's financial and operational performance. We are executing a robust capital plan and we will update our capital projections on the fourth quarter earnings call. We anticipate those projections to be in-line with the capital upside potential presented at our June Analyst day.

Looking forward, we remain on-track to deliver our expected earnings for the year and are well positioned to achieve long-term growth. We continue to focus on operating safely, serving our growing customer base effectively, and running the businesses efficiently. I will now turn the call over to Tracy to review electric operations.

Tracy Bridge – Executive Vice President and President Electric Division

Thank you, Scott.

Houston Electric had a solid third quarter both operationally and financially. Core operating income was 202 million dollars this quarter compared to 207 million dollars in the third quarter of 2013. Higher earnings from customer growth, higher equity returns primarily related to true-up proceeds and increased right-of-way revenues were more than offset by a return to more normal weather, and higher O&M expenses.

Houston Electric's service territory continues to grow. Since the third quarter last year, we added more than 50,000 metered customers. We expect this 2 percent annual customer growth to continue into the foreseeable future, providing 25 to 30 million dollars of incremental revenue each year. Over the past several years, our weather-normalized residential throughput increase has been consistent with our residential customer growth, meaning our usage per customer has been more or less flat.

Compared to the same quarter last year, operating income related to weather was down 11 million dollars due to a return to more normal weather. This decline was partially offset by a 6 million dollar increase in right of way revenues. The full year 2014 forecast range for right-of-way revenues is 20 to 30 million dollars.

O&M expense was higher compared to the third quarter of last year primarily because of 47 million dollars of transmission expense, which has offsetting revenue, as well as a 6 million dollar adjustment to our claims liability reserve. Excluding the effects of these items, O&M was up 10 million dollars versus the third quarter of 2013. This increase was anticipated and driven by specific grid reliability and safety initiatives we have mentioned on previous calls.

Before I discuss our capital investment, let me update you on the Houston Import Project. On October 17th, the Texas Public Utility Commission filed an order that denied our appeal of ERCOT staff's decision to split responsibility for the Houston Import Project. We are now concentrating our efforts on planning and constructing our portion of this project. We estimate our capital investment will be $300 million, which is not in our currently published five year plan. However, this project will contribute to the 750 to 800 million dollars of capital upside identified at the Analyst Day.

As we have shared in the past, we continue to invest capital to enhance reliability, modernize our system, and support customer growth. Through the first nine months of this year, we invested 573 million dollars, which keeps us on track to invest approximately 780 million dollars of capital by the end of the year.

Our robust capital plan is expected to generate a rate base compound annual growth rate of 7 to 8 percent, with upside potential in the 9 to 10 percent range over the next five years.

We are executing our plan and we are well positioned to continue our strong performance. We will continue to operate effectively and efficiently as we focus on safety, reliability, growth and customer service.

I'll now turn the call over to Joe who will review Gas Operations.

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Joe McGoldrick – Executive Vice President and President Gas Division

Thank you, Tracy.

Gas Operations' performance for the third quarter was in-line with our expectations. We reported a 2 million dollar operating loss for the third quarter, comprised of an 8 million dollar loss from our natural gas utilities and a 6 million dollar gain from our energy services business.

By comparison, Gas Operations reported 7 million dollars in operating income in the third quarter of 2013, comprised of 5 million dollars from our natural gas utilities and 2 million dollars from our energy services business. As anticipated, results were down at our natural gas utilities for the quarter. However, we continue to expect a solid year, as supported by our year-to- date performance.

Customer growth at our natural gas utilities continues at a steady 1 percent growth rate, adding 36,000 new customers since the third quarter of 2013. Most of the growth came from our Houston and Minnesota service territories. We also benefited from modest rate relief during the quarter but the increases were less than those realized in last years' third quarter.

O&M at our natural gas utilities increased during the quarter but we expected this. For example, timing issues such as pipeline integrity testing in Minnesota occurred disproportionally in the third quarter of this year. As always, we continue to look for ways to improve efficiency and hold down O&M, without sacrificing safety and reliability. And the 3 percent growth rate I shared at the Analyst Day remains our objective.

Through the first 9 months, we have invested approximately 380 million dollars of capital and are on track to invest approximately 520 million dollars by year end. We continue to deploy Automated Meter Reading technology across our footprint and expect to convert all 3.4 million of our meters by year end 2015. This technology is an important investment for us, as it reduces O&M and improves our service to customers. We also continue to invest capital in pipe replacement, such as our cast-iron and bare steel main replacement program and our beltline project in Minneapolis.

As a reminder, our base capital plan is expected to generate a rate base compound annual growth rate of 8 to 9 percent over the next 5 years, with upside potential in the 9 to 10 percent range. These investments are improving the safety and efficiency of our system as well as enhancing customer service. We remain encouraged by our regulators' constructive and collaborative approach to rate recovery for investments that are vital to the safety of our customers and the communities we serve.

Turning to Energy Services, we recorded 6 million dollars of operating income in the third quarter, which included a 13 million dollar mark to market gain. This compares with 2 million dollars of operating income for the third quarter of 2013, which included a 6 million dollar mark to market gain.

Year to date operating income for Energy Services is 43 million dollars compared to 12 million dollars in 2013. 2014 performance to date includes a 23 million dollar mark to market gain as compared to 7 million dollars in the same period of 2013. Normalizing for the mark, Energy Services is up approximately 15 million dollars compared to the first nine months of 2013. This business benefitted significantly from increased basis and storage spreads during the polar vortex earlier this year. And despite the increased volatility last winter, our VAR average for 2014 is below 400,000 dollars, demonstrating the success we've enjoyed in reducing risk in this business.

We are executing our plan well in Gas Operations. We have strong performance to build upon going into the fourth quarter and will continue to focus on safety, reliability, and customer service.

I'll now turn the call over to Gary who will provide an update on financial activities and earnings guidance.

Gary Whitlock – Executive Vice President and CFO

Thank you, Joe, and good morning to everyone. I have a few topics to discuss this morning and I would like to start by describing the financial results for Enable Midstream, who yesterday reported solid earnings in their first full quarter as a public company, following their IPO in May.

Enable's solid financial performance, net of their acquisition of the majority of our interest in the SESH pipeline, helped to offset the earnings dilution associated with the IPO and a decrease of 2 million dollars in our basis difference accretion. In addition to equity earnings from Enable, we received cash distributions of 70 million dollars in the third quarter and expect to receive approximately 71 million dollars in the fourth quarter. We are very pleased with the progress the Enable leadership team continues to make in executing their growth oriented business plan.

My next topic is liquidity. Our objective is to maintain appropriate levels of liquidity, on reasonable terms, combined with maximum borrowing flexibility. On September 9th, we successfully extended our three credit facilities by one year with no change to the commitment fees or the borrowing costs under the facilities. The revolving credit facilities now have a remaining term of five years, expiring in 2019.

Now, I would like to discuss our earnings guidance for 2014. This morning, in our third quarter earnings release, we re-affirmed our 2014 consolidated earnings estimate of one dollar and 14 cents to one dollar and 21 cents per diluted share. We re-affirmed the component parts of that range with the Utility Operations range being 72 to 76 cents and the Midstream Investments range being 42 to 45 cents per diluted share. The Midstream Investment guidance range takes into account Enable's most recent public forecast and the accretion of our basis difference. In providing this guidance, we have assumed a consolidated effective tax rate of 37 percent, a Midstream Investments effective tax rate of 38 percent and an average share count of 431 million shares.

The Utility Operations guidance range considers significant variables that may impact earnings, such as weather, regulatory and judicial proceedings, throughput, commodity prices, effective tax rates and financing activities. However, the company does not include in its earnings expectations the impact of any changes in accounting standards, any impact to earnings from the change in the value of the ZENS securities and the related stocks, or the timing effects of mark to market accounting.

I would also like to reiterate our dividend policy of targeting an annual payout ratio of 60 to 70 percent of sustainable earnings from our Utility Operations and 90 to 100 percent of the net after-tax cash distributions we receive from Enable. As previously discussed, we feel that the expected growth rate in our utility earnings combined with the expected growth in the cash distributions from Enable clearly supports our stated compound annual dividend growth rate objective of 8 to 10 percent over the next 3 years.

And finally, let me also remind you of the 23 and three quarter cent per share quarterly dividend declared by our Board of Directors on October 21st. We believe our dividend actions continue to demonstrate a strong commitment to our shareholders and the confidence of management and the Board of Directors in our ability to deliver sustainable earnings and cash flow.

Thank you for your continued interest and investment in CenterPoint Energy and I will now turn the call back over to Carla.

Carla Kneipp – Vice President & Treasurer

Thank you, Gary. In asking your questions, I would like to remind you that Enable related financial and operational performance questions should be directed to Enable management. We will now open the call to questions. And in the interest of time, I'd ask you to limit yourself to one question and a follow-up. Thea?

Operator: The first question will come from Carl Kirst with BMO Capital.

Carl Kirst: Thank you. Good morning, everybody.

I apologize if this was mentioned earlier on, but Tracy, did you potentially mention what you guys' expectation was for a PUC timing for a decision of necessary on the Houston Import project? Is that still sort of fourth quarter? And if so, do you, you know, can you -- can you be -- do you have any sense of refined timeframe on that?

Tracy Bridge: Hi, Carl. This is Tracy. The briefs were filed by the parties at the PUC last Friday. This is in regard to the NRG / Calpine complaint about the need for the Houston Import project. There will be no reply briefs. And we are expecting a decision by the PUC yet this quarter, probably in the middle of December.

Carl Kirst: Okay. Okay, that's helpful. Thank you.

And then just really sort of a two-part weather question, if I could. One, just wanted to, when we strip out -- or excuse me, when we net out the LDCs with CEHE, you know, was there a discernible weather delta from normal?

And then two, and maybe this is a better question for Joe, just given some of the regulatory changes at the LDC level, can you refresh my memory of how you guys are approaching weather hedges for this winter?

Scott Prochazka: So Carl, this is Scott. The first question you had about weather, assuming you were asking for the quarter, there is none for gas, but CEHE is down about $11 million for the quarter on a year-over-year basis.

Carl Kirst: I'm sorry -- that's the year over year? Or is that from normal?

Scott Prochazka: I'm sorry, that is the -- that's the year-over-year basis. We're down $11 million.

Carl Kirst: Do you happen to have what a delta would be normal?

Scott Prochazka: From normal weather? Let me see if we can get that for you.

Carl Kirst: I can get that from Carla off-line.

Scott Prochazka: Okay. If we find it, we'll, you know, we'll get it to you off-line. We'll find it and get it to you then.

Joe McGoldrick : And Carl, while they're looking that up, I'll answer your hedge question. Yes, we are hedging weather again this winter. It began in October in Minnesota. But we have the decoupling pilot ready to go into effect in Minnesota in July of 2015. That's a three-year pilot program. So if that works as designed, we may or may not do any additional financial hedges in the future.

Carl Kirst: Okay, I think I misunderstood. So the Minnesota pilot is actually starting middle of next year. And so basically the hedging, if you will, is essentially same approach, for instance, that you took last winter?

Joe McGoldrick: Correct.

Carl Kirst: Okay. Great. Thank you so much.

Operator: The next question will come from Matt Tucker with KeyBanc Capital.

Matt Tucker: Hi, good morning. My first question is on the capex opportunities at the utility above what's in your current plan. If you pull the Houston Import project out of that bucket, you know, could you just comment on where you stand with respect to those up-side opportunities? And has there been any movement on specific projects and / or new projects pulled into, you know, that up-side opportunity?

Scott Prochazka : So, Matt, we're going through our planning process now and that will culminate at the end of the year when we get approval of our budget with our board. The analysis that we're doing continues to suggest from a growth perspective and from a reliability perspective that the numbers that we shared with you in June look to be pretty real.

So, we'll confirm it on our fourth quarter call, but as we sit here today, we're growing in our confidence that that up-side potential is doable.

Matt Tucker: Great. Thank you.

And then on the energy services, you know, it's tracking well ahead of the rate you've been at the past few years. I know that the first quarter was maybe unusually strong, but even the past two. Could you just talk a little bit about the, you know, environment right now for that business? And are you seeing things, you know, get a little more normal, let's say, than they have been the past few years?

Joe McGoldrick: Matt, this is Joe. We, you know, we attribute most of that increase, obviously, to the polar vortex. We are starting to see customers lock in prices more because of the recent volatility experience. And so we're creating some economic value there. But we really haven't fundamentally changed our view of that business being a $15 million to $25 million op income business per year.

But to the extent that we get another polar vortex or whatever, we'll absolutely be opportunistic and take advantage of those conditions. But -- and we've done a good job over the years of really managing costs in that business and de-risking it. And so we feel like we're in a really good position to continue to grow that at a nice rate.

Matt Tucker: Great. Thanks. And then apologies if I missed this, but it looks like your tax rate came in a few hundred basis points below your guidance. Can you just for the quarter, can you just comment on that?

Gary Whitlock: I think those are just normal quarterly movement. You know, at this point, I think, Matt, still think about 37% for the full year. At the same time, we continue to look at opportunities in terms of optimizing our tax rate, but nothing material from that.

Matt Tucker: All right, thanks a lot, guys.

Operator: The next question will come from Ali Agha with SunTrust.

Ali Agha: Thank you. Good morning.

I wanted to pick up from your opening comments. You talked about, you know, the volatility to your stock price given the linkage, now that you have with Enable and MLP stocks in general. You know, that's clearly created more volatility to your stock price, which is obviously not directly in your control.

So as you look at it from that vantage point, how comfortable are you with this increased volatility, given that your core business is still, you know, the utility operations? And investors, you know, look at that as a more stable area of investments. So how comfortable are you with that volatility that is now associated with your stock movement?

Scott Prochazka: Well Ali, you know, in general we prefer to trend towards less volatility rather than more, as you well know. But we really think that some of this volatility was just overreaction -- just the market overreacting. And I think that, you know, Enable is fairly new and people need to better understand their exposure to commodity changes.

And I think it's going to, you know, as they learn more, I think the relationship will stabilize and we won't see quite the level of volatility we saw this last cycle. We were surprised, I think as many people were, with the amount of volatility. It didn't seem to make sense to us, if you just look at the, you know, kind of the ownership levels and the actual commodity exposure.

So, we're hopeful that education and greater understanding will help reduce that volatility.

Ali Agha: Okay, and separately Scott, can you give us a sense -- you know, what is your interest level right now in Encore? Obviously, bidding is ongoing there. In the past, CenterPoint has been very clear on its interest there. How are you looking at that opportunity?

Scott Prochazka: Well, I think you know our practice is not to comment on specific opportunities, but we've mentioned in the past that, you know, on Encore itself from a strategic standpoint makes a great amount of sense, just the industrial logic of it.

So, you know, it's interesting to look at. We are certainly keeping track of how the whole process is unfolding. And, you know, we're going to continue to evaluate and look at the process. But, you know, we're not going to do anything that wouldn't be in the interests of our existing shareholders.

Ali Agha: Okay. Thank you.

Operator: Please remember if you wish to ask a question to press star-one on your telephone keypad now. Thank you for your cooperation.

Our last question will come from Charles Fishman with Morningstar

Charles Fishman: Hi. Scott, with your permission if I could ask a couple of questions of Tracy on Houston Electric?

Tracy, did you mention customer growth or expectations? Did I just miss that? In the past, you've talked about 2%.

Tracy Bridge: Good morning, Charles. I'm happy to talk about that. We added 50,000 customers year-over-year by the end of the third quarter. We're continuing on a 2% annual growth rate, and we see our average residential use per customer as more or less flat. So, our total usage tracks our customer growth, which is continuing to be about 2%.

Charles Fishman: Okay. And sort of a related question, I mean, your neighbor to the east in Louisiana is experiencing tremendous industrial growth with low energy prices. Yet, you know, I think of Houston and I still consider it the oil capital of the world. And obviously, with the downward pressure on oil prices, I suspect, or at least in the past, that has had a negative impact on the Houston economy and obviously your customer growth.

Has that changed, though, since the last cycle? I mean, you know, is Houston more balanced with respect to industries that use energy and the low-cost energy is actually a benefit?

Tracy Bridge: We've actually seen a little bit more than 2% growth, more in the 3% range for our commercial industrial customers along the ship channel and along the coast. There's still considerable interest in liquids and processing. And part of our right-of-way margin, in fact, is to allow people to build and get to the coast.

So we're still seeing a pretty robust economy in Houston.

Scott Prochazka: Charles, I'll add to that. I think just the general makeup of Houston now is a much more diverse city than it was a couple of decades ago. You know, clearly the energy sector is a sizable portion of the economy and the growth here, but there's also a lot of downstream opportunity. And there's diversity into the medical area and in other commercial areas.

So, while it might have, you know, some impact, I don't think it's going to be a devastating impact. In fact, I'm not an economist here, but some might argue that the reduction in oil price may actually be good for some of the downstream processing. So, there could be a balancing effect to that as well.

Gary Whitlock: Charles, this is Gary. I'll add on to that. The same dynamics that exist in Louisiana in terms of the petrochemical build-out, those same dynamics exist here in Texas on the Texas coast, as well in our ship channel. So those same dynamics exist, and certainly we'll continue to benefit from that in all those respects.

Charles Fishman: Well, that was my -- I was thinking Houston was a lot more diversified now. So thanks for the color, though.

Scott Prochazka: Yep, you're welcome.

Operator: There are no further questions.

Carla Kneipp: Thank you.

Thank you, everyone, for your interest in CenterPoint Energy. We will now conclude our third quarter 2014 earnings call, and have a nice day.

Operator: This concludes CenterPoint Energy's third quarter 2014 earnings conference call. Thank you for your participation. You may now disconnect.

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Cautionary Statement Regarding Forward-Looking Information

This information includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Actual events and results may differ materially from those expressed or implied by these forward-looking statements. Any statements in these remarks regarding the company's earnings outlook for 2014, future financial performance and results of operations, expected customer growth rates, anticipated capital expenditures, future right of way revenues, future growth opportunities, targeted growth for earnings or dividends, future financings and any other statements that are not historical facts are forward-looking statements. Each forward-looking statement contained herein speaks only as of November 5, 2014, and we undertake no obligation to publically update or revise any forward looking statements except as required by law. Factors that could affect actual results include (1) state and federal legislative and regulatory actions or developments affecting various aspects of CenterPoint Energy's businesses (including the businesses of Enable Midstream Partners (Enable)), including, among others, energy deregulation or re-regulation, pipeline integrity and safety, health care reform, financial reform, tax legislation, and actions regarding the rates charged by CenterPoint Energy's regulated businesses; (2) state and federal legislative and regulatory actions or developments relating to the environment, including those related to global climate change; (3) timely and appropriate rate actions that allow recovery of costs and a reasonable return on investment; (4) the timing and outcome of any audits, disputes or other proceedings related to taxes; (5) problems with construction, implementation of necessary technology or other issues with respect to major capital projects that result in delays or in cost overruns that cannot be recouped in rates; (6) industrial, commercial and residential growth or decline in CenterPoint Energy's service territories and other changes in market demand, including the effects of energy efficiency measures and demographic patterns; (7) the timing and extent of changes in commodity prices, particularly natural gas and natural gas liquids, and the effects of geographic and seasonal commodity price differentials; (8) weather variations and other natural phenomena, including the impact on operations and capital from severe weather events; (9) any direct or indirect effects on CenterPoint Energy's facilities, operations and financial condition resulting from terrorism, cyber-attacks, data security breaches or other attempts to disrupt its businesses or the businesses of third parties, or other catastrophic events; (10) the impact of unplanned facility outages; (11) timely and appropriate regulatory actions allowing securitization or other recovery of costs associated with any future hurricanes or natural disasters; (12) changes in interest rates or rates of inflation; (13) commercial bank and financial market conditions, CenterPoint Energy's access to capital, the cost of such capital, and the results of its financing and refinancing efforts, including availability of funds in the debt capital markets; (14) actions by credit rating agencies; (15) effectiveness of CenterPoint Energy's risk management activities; (16) inability of various counterparties to meet their obligations; (17) non-payment for services due to financial distress of CenterPoint Energy's customers; (18) the ability of GenOn Energy, Inc. (formerly known as RRI Energy, Inc.), a wholly owned subsidiary of NRG Energy, Inc., and its subsidiaries to satisfy their obligations to CenterPoint Energy and its subsidiaries; (19) the ability of retail electric providers, and particularly the largest customers of the TDU, to satisfy their obligations to CenterPoint Energy and its subsidiaries; (20) the outcome of litigation brought by or against CenterPoint Energy or its subsidiaries; (21) CenterPoint Energy's ability to control costs; (22) CenterPoint Energy's ability to invest planned capital; (23) changes in technology, particularly with respect to efficient battery storage or emergence or growth of new, developing or alternative sources of generation; (24) the investment performance of pension and postretirement benefit plans; (25) potential business strategies, including restructurings, joint ventures, and acquisitions or dispositions of assets or businesses, for which no assurance can be given that they will be completed or will provide the anticipated benefits to CenterPoint Energy; (26) acquisition and merger activities involving CenterPoint Energy or its competitors; (27) future economic conditions in regional and national markets and their effects on sales, prices and costs; (28) the performance of Enable, the amount of cash distributions CenterPoint Energy receives from Enable, and the value of its interests in Enable, and factors that may have a material impact on such performance, cash distributions and value, including certain of the factors specified above and: (A) the integration of the operations of the businesses contributed to Enable; (B) the achievement of anticipated operational and commercial synergies and expected growth opportunities, and the successful implementation of Enable's business plan; (C) competitive conditions in the midstream industry, and actions taken by Enable's customers and competitors, including the extent and timing of the entry of additional competition in the markets served by Enable; (D) the timing and extent of changes in the supply of natural gas and associated commodity prices, particularly prices of natural gas and natural gas liquids, the competitive effects of the available pipeline capacity in the regions served by Enable, and the effects of geographic and seasonal commodity price differentials, including the effects of these circumstances on re-contracting available capacity on Enable's interstate pipelines; (E) the demand for natural gas, NGLs and transportation and storage services; (F) changes in tax status; (G) access to growth capital; and (H) the availability and prices of raw materials for current and future construction projects; and (29) other factors discussed in CenterPoint Energy's Annual Report on Form 10-K for the fiscal year ended December 31, 2013, as well as in CenterPoint Energy's Quarterly Report on Form 10-Q for the quarter ended March 31, 2014 June 30, 2014, and September 30, 2014, and other reports CenterPoint Energy or its subsidiaries may file from time to time with the Securities and Exchange Commission.