CenterPoint Energy

Q2 2026 Earnings Transcript – July 28, 2026

Ben Vallejo – VP of Investor Relations and Corporate Planning

Good morning and welcome to CenterPoint's Q2 2026 earnings conference call. Jason Wells, our Chair and CEO, and Chris Foster, our CFO, will discuss the Company's second quarter 2026 results. Management will discuss certain topics that will contain projections and other forward-looking information and statements that are based on management's beliefs, assumptions, and information currently available to management. These forward-looking statements are subject to risks and uncertainties. Actual results could differ materially based on various factors, as noted in our Form 10-Q, other SEC filings and our earnings materials.

We undertake no obligation to revise or update publicly any forward-looking statement other than as required under applicable securities laws. We reported $0.37 per diluted share for the second quarter of 2026 on a GAAP basis. Management will be discussing certain non-GAAP measures on today's call. When providing guidance, we use the non-GAAP EPS measure of diluted adjusted earnings per share, on a consolidated basis, referred to as "non-GAAP EPS." For information on our guidance methodology and reconciliation of the non-GAAP measures used in providing guidance, please refer to our earnings news release and presentation on our website. We use our website to announce material information.

This call is being recorded. Information on how to access the replay can be found on our website. Now, I'd like to turn it over to Jason.

Jason Wells – President & CEO

Thank you, Ben and good morning, everyone. On today's call, I would like to address four key areas of focus for the quarter.

First, I will briefly walk through our strong second quarter financial results as we remain on track to deliver our full year non-GAAP earnings guidance.

Second, I will provide an update on the significant progress we have made through ERCOT's new Batch Zero process, including the submission of more than 17 gigawatts of large load projects. 14 gigawatts of these submissions are expected to be eligible for Batch Zero and would represent an increase of more than 65% from Houston Electric's current system peak of 21 gigawatts.

Third, I will discuss today's announced $1.2 billion increase to our capital investment plan, driven by both the anticipated modest system upgrades expected to connect large load customers in Texas and continued progress related to the Downtown Houston Revitalization project. We expect to deploy this incremental capital over the next five years without the need for additional equity financing.

And finally, I will provide an update on our continued progress with prospective large load customers in our Indiana Electric service territory, which would represent transformational growth for the region and support long-term customer affordability.

I will start with our strong second quarter financial results. This morning, we reported non-GAAP EPS of $0.40 for the second quarter of 2026. We are reiterating our full year 2026 non-GAAP EPS guidance range of $1.89 to $1.91 which, at the midpoint, represents 8% growth over actual 2025 delivered results as we seek to deliver compounded growth for our investors each and every year.

Over the long-term, we continue to expect to grow non-GAAP EPS at the mid-to-high end of our 7% to 9% annual guidance range through 2028, and 7% to 9% annually, thereafter, through 2035.

Now, I would like to provide an update on the progress we've made through ERCOT's new Batch Zero process. Before I go into the details of our submissions, I want to acknowledge the substantial interest from prospective large load customers in the Greater Houston area and the incredible efforts they have made throughout this process to demonstrate and maintain eligibility for Batch Zero. The investment commitments made by these customers enabled 17 gigawatts of project submissions. This not only reflects the strength of electric demand growth in our region but also gives us even greater confidence in the acceleration and durability of the growth we are already seeing over the longer term.

We look forward to working closely with our customers as this process continues to do our part in bringing growth to the region for the benefit of our customers, communities, and shareholders for years to come.

Now turning to the 14 gigawatts of projects that remain eligible for Batch Zero, approximately 10 gigawatts of these projects have both required studies approved and are eligible for base load designation. The remaining 4 gigawatts of submissions are positioned to qualify as studied load because they have one of the two required studies already approved by ERCOT. The 4 gigawatts of “studied load” will be further be evaluated by ERCOT and included in the load allocation process expected to conclude in April of next year.

In the aggregate, the 14 gigawatts of projects eligible for Batch Zero would represent over 65% increase in our system’s peak demand and further reinforce our confidence in achieving the accelerated 50% load growth by year-end 2029. Based on projected load ramps sought by customers, we expect nearly all of these projects to be energized by the end of 2030, extending our industry-leading growth trajectory well into the next decade.

We are confident the combined 14 gigawatts of base load and studied load are well positioned to move forward in the Batch Zero process given the level of customer commitments already secured. Among other customer commitments, these projects are supported by a signed facility extension agreement with long-term end user commitments, approximately $900 million of customer cash commitments and security already received, and clear line of sight to the materials, execution capability and system capacity to serve.

The remaining 3 gigawatts of Batch Zero submissions represent additional customer demand that is pending ERCOT approval of the required studies. We will continue working closely with our customers and ERCOT to advance these projects to support our customers’ desired energization timelines. With that said, the next phase related to the 10 gigawatts of base load eligible projects is already underway. We have already begun work on the targeted system upgrades required to serve these customers and we expect to continue this work over the next four years.

We will also continue to work with customers on projects that remain eligible for studied load to finalize the plans related to needed system upgrades. Investments for both these base load and studied load projects are reflected in today's announced capital investment plan increase which I will discuss in more detail in just a moment.

Importantly, this growth also supports customer affordability. With this increased demand from large load customers, we are now estimating that collectively, residential and commercial electric customers will save over $5 billion over the next decade through the addition of 14 gigawatts of eligible base load and studied load projects.

Outside of the incredible transmission level demand from large load customers, our Houston Electric distribution system continues to experience significant increases in localized demand. Consistent with the pace of growth we have seen this year, we are anticipating an additional 2 gigawatts of distribution level demand over the next several years driven by reshoring of advanced manufacturing and continued population growth in the Greater Houston Area. This growth will have additional affordability benefits for our customers.

Moving now to the $1.2 billion increase in our 10-year capital investment plan. Today, we are increasing our capital investment plan by $800 million to support targeted system upgrades associated with the 14 gigawatts of expected Batch Zero eligible projects. As previously highlighted, our Houston Electric system's approximately 10 gigawatts of existing hosting capacity gives us a distinct advantage in connecting significant new load quickly and efficiently, with modest incremental investment. This differentiated system profile enables us to connect these projects at less than $60 million per gigawatt, allowing us to deliver long-term growth in a disciplined and affordable manner.

Beyond today's capital increase related to system upgrades for expected Batch Zero eligible projects, we continue to evaluate the broader transmission investments necessary to support future demand growth through our ongoing internal transmission planning process. We expect to provide an update on these opportunities later this year.

In addition to the $800 million capital increase associated with system upgrades; we have also identified approximately $700 million of additional investment opportunities that would be required to serve demand of approximately 3 gigawatts that are not base load or study load eligible. This incremental capital is outside of the planned transmission investments we are evaluating as part of our comprehensive transmission study. As those projects remain subject to a future Batch processes, we maintain our conservative approach to incorporating incremental investments into our 10-year investment plan and are not folding them in at this time.

In addition to the investments associated with large load customers, we have made significant progress related to our work on the Downtown Houston Revitalization Project. With the input of various stakeholder groups, we have made final site selections for the two required substation relocations. With those plans now solidified, we have refined our initial investment estimates and as a result, we are increasing our capital investment plan by another $400 million.

With today's combined $1.2 billion capital investment increase, we now expect a

Houston Electric rate base CAGR of over 18% over the next three years. Chris will cover this in his section, but importantly, today's announced capital investment increase does not result in any increased equity needs. And even after incorporating today's increase, we still maintain visibility to at least $10 billion of additional capital investment opportunities through 2035. Consistent with our disciplined approach, we will continue to add future investments to the plan as projects become more clearly defined and as we gain confidence in our ability to execute them for the benefit of our customers and communities.

Lastly, I want to touch on the transformational potential large load customer opportunities in our Indiana Electric service territory. We continue to make progress advancing large load opportunities in our Indiana Electric service territory. One of which would represent the single largest load we serve in that region. As a result of commitments from the customer, we have already begun work to serve this load.

Outside of the project identified, we are engaged with multiple counterparties for additional large load projects in that area. As a reminder, the related investments required to serve these large loads would be incremental and outside of our current base plan. As we continue to advance these projects, we are focused on supporting the growth of the community we are privileged to serve and improving affordability for our customers for years to come.

In closing, we continue to believe that we have one of the most tangible and executable long-term growth plans in the industry. We remain confident in our ability to execute our updated $66.7 billion capital investment plan through 2035, while maintaining visibility to at least $10 billion of additional upside capital investment opportunities. We are also well positioned to enable continued growth across the jurisdictions we have the privilege to serve, strengthening the economies of our service territories and improving affordability for our customers while maintaining our focus on delivering safer and reliable service.

With that, I will turn it over to Chris to cover the financials in more detail.

Chris Foster – CFO

Thanks, Jason. This morning, I will cover four areas of focus. First, I will walk through the details of our strong second quarter financial results, and how they position us well for the rest of the year. Second, I will touch on our regulatory progress through the first half of the year, as we continue to execute on the timely recovery of our customer-driven capital investments. Third, I will provide additional details on our positively revised $66.7 billion 10-year capital plan, which as Jason highlighted, will not require additional equity financing. And finally, I will give an update on our de-risked financing plan, balance sheet health and credit metrics.

Now, starting with our strong financial results on Slide 5. On a GAAP EPS basis, we reported 37 cents for the second quarter of 2026. On a non-GAAP EPS basis, we reported 40 cents for the quarter. Our non-GAAP EPS excludes expenses related to our LDC divestiture activity, including the tax expense associated with the gain on the sale of our Ohio gas LDC which is required to be recognized over the full year of 2026 and restructuring costs in connection with our Louisiana and Mississippi divestitures given the recent expiration of our related transition service agreement. In addition, we continue to exclude the impacts of removing our temporary generation units from base rates as they are no longer part of our regulated utility business. As a reminder, we will be marketing these units for either a sublease or sale and will also exclude the associated income resulting from these transactions.

Taking a closer look at the drivers of our second quarter earnings. Growth and rate recovery contributed 10 cents of favorability when compared to the same quarter last year, driven by a full quarter of impact of updated rates reflecting rate case implementation and the interim filing mechanisms that went into effect in the first quarter, as well as the partial quarter benefit from updated rates reflecting filings made earlier this year that became effective in June. Additionally, O&M was 2 cents favorable for the quarter as we continue to drive efficiencies in our accelerated peer leading vegetation management program we started last year. Weather and usage were 1 cent unfavorable when compared to the comparable quarter last year, driven by milder weather across our Texas and Indiana service territories. Higher interest expense was 1 cent unfavorable reflecting new issuances, slightly offset by lower commercial paper balances.

These results reinforce our confidence in delivering on our full-year 2026 non-GAAP EPS guidance range of $1.89 to $1.91. The accelerated growth that Jason highlighted and the work we’ve done to derisk our financing needs are additional tailwinds that further position us well to deliver as we move through the year. Over the long-term, we continue to expect to grow non-GAAP EPS at the mid-to-high end of our 7% to 9% long-term annual guidance range through 2028, and 7% to 9% annually, thereafter, through 2035.

Now, turning to a broader regulatory update. As a reminder, we recover approximately 85% of our investments through capital trackers. We continue to make progress recovering capital on customer-driven investments across our service territories.

In our Houston Electric business, we recently filed our second capital tracker for distribution investments, or DCRF, requesting a $73 million increase in revenue requirement. We expect customer delivery charges to be updated in November of this year. In addition, we also expect to file the second capital tracker related to transmission investments, or TCOS, next month. Additionally, during the quarter, we filed a settlement agreement related to our temporary generation filing that will allow us to reduce customer electric delivery charges by nearly 3% from a rate that is already more than 5% less than the next lowest Texas peer electric utility.

Turning now to Texas Gas. We received approval of our annual capital investment recovery filing, or GRIP, that requested a revenue requirement increase of approximately $62 million. New rates went into effect in June. Outside of our Texas businesses, we are preparing to file forward-looking rate cases for Minnesota Gas and a combined filing for North and South Indiana Gas by the end of this year, which together represent less than 20% of the earnings power of the company.

Turning to our capital plan, we continued to execute against our planned 2026 investments, as shown on Slide 6. We invested $1.5 billion in the second quarter and have now completed approximately 40% of our planned capital spend through the first half of the year, consistent with the typical seasonal timing of our investments. We expect larger projects to be placed in service in the second half of the year and remain on track to execute $6.8 billion of planned capital investment this year for the benefit of our customers and communities.

In addition, and as Jason highlighted, we are updating our 10-year capital plan from $65.5 billion to $66.7 billion, reflecting a $1.2 billion increase driven by large load system upgrades and the progress made related to the downtown revitalization project. We expect to fund these incremental investments without issuing additional equity, supported by the existing funding capacity as a result of the clarification in the Corporate Alternative Minimum Tax rules earlier this year. As such, our planned equity remains unchanged.

This lower equity profile is also supported in the near term by our recent transaction related to our Ohio gas LDC. There, we remain on schedule to close the sale on October 1st of this year after receiving regulatory approval last month. Looking further out, we anticipate additional potential financing tailwinds from the marketing of our temporary generation units before the end of Q1 next year when the units return. The transacting of these units could provide additional flexibility to fund incremental capital investments without increasing our equity financing guide.

Lastly, as a reminder, we expect meaningfully higher cash flow from new demand charges of approximately $6 million per gigawatt per month as we energize the anticipated 14 gigawatts of new load over the next five years. Outside of today's update and potential future financing tailwinds, we will continue to target funding incremental capital investments consistent with our consolidated capital structure of approximately 47% equity and 53% debt.

Lastly, I want to touch on our credit metrics and balance sheet. As of the end of the second quarter, our adjusted FFO to Debt ratio based on Moody's rating methodology was 13.4%. This represents a nearly 100 basis point improvement from Q1, and we anticipate continued expansion of the cushion represented here in part due to a tax refund related to previously paid Corporate Alternative Minimum Tax, a portion of which we anticipate to receive in the third quarter of this year. This alone could add roughly 30 basis points of improvement to our metrics.

In summary, we are confident in our ability to execute this year and beyond given anticipated future financing tailwinds and continued visibility to customer-driven growth opportunities. We are reiterating our 2026 non-GAAP earnings guidance targeting at least the midpoint of $1.89 to $1.91. At the midpoint, this would represent an 8% increase over 2025 delivered results. Looking ahead, we expect to grow non-GAAP EPS at the mid-to-high end of our 7% to 9% range from 2026 through 2028; and over the long-term, we expect to grow non-GAAP EPS at 7% to 9% annually, through 2035.

And with that, I will now turn the call over to Jason.

Jason Wells – President & CEO

Thank you, Chris. In closing, we have made meaningful progress advancing the significant growth opportunities across our service territories. The progress we are making in Houston underscores the strength of our service territory and our ability to serve large load customers quickly and affordably. At the same time, the opportunities we are pursuing in

Indiana represent a step-change in growth, which will meaningfully drive economic development and improve customer affordability. This growth, combined with our consistent execution and proactive efforts to de-risk our regulatory profile and financing plan, increases our conviction that we have one of the most compelling affordability profiles and one of the most tangible and executable long-term growth plans in the industry.

Ben Vallejo – VP of Investor Relations and Corporate Planning

Thank you, Jason. Operator, I'd like to turn it over for Q& A.

Question & Answer

Operator: Thank you. At this time, we will begin taking questions. (Operator Instructions) Thank you. One moment for our first question. Now, our first question is coming from the line of Shar Pourreza with Wells Fargo Securities. Your line is now open.

Q: **Shar Pourreza:**

Hey guys, good morning.

A: **Jason Wells – President and CEO:**

Good morning, Shar.

Q: **Shar Pourreza:**

Good morning, Jason. Just on the transmission study, as we're thinking about sort of the size and cash benefits on the CapEx side, historically, you guys have referenced $8 million per mile, while I think the market range is anywhere from $5 million to $20 million depending on routing and land. And on the cash benefit side, you've talked about $6 million per gigawatt per month. Are these still kind of relevant, and any sense of timing here? Thanks.

A: **Jason Wells – President and CEO:**

Yeah. Thanks, Shar, for the question. From a CapEx standpoint, yeah, that's generally the range we're seeing sort of at $5 million to $20 million. Our plan assumes $8 million. We'll likely have a better view of the actual cost per mile in the first quarter of next year as we complete more of our route-related work. So it potentially could be a tailwind as we enter next year, but that's the summary on the CapEx side. From a cash f low standpoint, yes, we continue to see about $6 million a month per gigawatt in terms of cash f low from demand charges from these related customers. And as you can see from the growth that we announced today, that really is growth that's significantly accelerating over '27, '28 and '29. So a very significant cash tailwind in those coming years.

Q: **Shar Pourreza:**

Got it. Okay. And then just -- and obviously, previously you guys framed the CAMT benefit as kind of unlocking about $1 billion of incremental CapEx with no additional equity. And this morning, you added about $1.2 billion to plan deployable within five years with sort of no change on that equity guide, that's kind of the key message. But Batch Zero transmission studies, et cetera, could be kind of fairly material. I guess, how do you --how should we be thinking about this funding needs or the cash benefits from these investments enough to offset those funding needs as well? Thanks.

A: **Jason Wells – President and CEO:**

Look, we're going to always seek to most efficiently finance -- fund our CapEx growth. I think we've got a history and track record of doing so. We're not going to lean on our balance sheet. We want to maintain a healthy cushion from an FFO-to-debt standpoint. But we're going to continue to think creatively. I think some of the cash flow tailwinds that Chris mentioned, the opportunity to remarket the temporary generating units, the cash flows from the incremental demand charges from the Batch Zero growth are all great tailwinds as we look at incremental CapEx on the transmission side to replace this import capacity to create more intra-regional transmission capacity and certainly to help make stability-related investments on the transmission level.

So, that comprehensive transmission plan that we are updating really has a number of different elements that we can lean on to efficiently fund that growth without, as I said, unnecessarily leaning on the balance sheet.

Q: **Shar Pourreza:**

Got it. And further asset optimization, is that part of the lever or not anymore?

A: **Jason Wells – President and CEO:**

We'll always look to create value for our stakeholders, and if that requires asset recycling, we may consider that. As you recall with the Ohio transaction that we announced, we've staged that sale with a seller note and have sold equity forward, really eliminating kind of any equity needs for the near future. So, I think we're in a good position not having to lean on asset recycling in the short term, but we'll always look to most efficiently fund our growth long term.

Q: **Shar Pourreza:**

Got it. Perfect. Fantastic, guys. See you soon.

Operator: Thank you. Our next question is coming from the line of Nick Campanella with Barclays. Your line is now open.

Q: **Nick Campanella:**

Hey, good morning. Thanks for all the updates today.

A: **Jason Wells – President and CEO:**

Good morning, Nick.

Q: **Nick Campanella:**

Good morning. Maybe just you've kind of talked about this data center opportunity in Indiana on the last call. And can you just give us an update on where you stand on that? And if you need to invest in incremental generation for that, does that get included in this no equity comment or how should we kind of think about that? Thank you.

A: **Jason Wells – President and CEO:**

Yeah, I continue to remain very optimistic around the work that we're doing up in Indiana. We're continuing to make, I think very meaningful progress. A couple of things to point out up in Indiana. As the team has done some more work around our system, we've found the ability to unlock incremental capacity sort of short and medium-term that gives us more optionality up there with respect to helping serve large loads.

And as I alluded to in my prepared remarks, we've already are well underway from an engineering ordering long lead time materials, securing our spot in the MISO queue for these connections. So really making some meaningful progress making sure that we have near-term capacity to support those opportunities.

With respect to incremental generation costs, that's outside of the CapEx update today. We will, as I said to Shar, look to most efficiently fund any incremental CapEx increase going forward. That said, as we look at transmission-related opportunities, generation in Indiana, there's likely some equity that will be needed to support that level of incremental CapEx growth for those different CapEx drivers.

Q: **Nick Campanella:**

Thanks a lot. And then I mean, maybe sticking with Indiana just there's been the affordability report that was issued and I think there's going to be a conference on August 7. Just anything that you're expecting from that broadly, what you expect that to address? And then obviously, you're just maintaining the current filing path for the state on both the gas and the electric side, just to confirm? Thanks.

A: **Jason Wells – President and CEO:**

Sure, Nick. It is true for the last part of your question that we'll maintain the current time frame for the consolidated gas cases by the end of this calendar year. The current timing for our electric case would be the first quarter of 2028. And then as you look at the technical conference that's coming up on August 7, I think it's our current understanding you're likely to see a series of different topics referenced there really to bring about future meetings where they'll discuss those topics in more detail.

For us, just stepping back, I think the key thing to remember is that our focus is on encouraging and enabling economic development for the area. It's by far the best way to allow for ongoing affordability for our customers from the new loads that are attracted that spread the costs, help enhance the property tax base and that really helps the community grow for the long term.

We've also taken, as you know, a number of steps really in the last few years that have been affordability focus for our customers. The first was the $50 million of O&M related to the retirement of our coal facilities up there. The second was the returns that we essentially passed back to our customers related to the securitization of the coal plant. And then finally, we've had a commitment here that's very focused on keeping our electric rate stable through 2027.

This is my way of saying, we'll be able to contribute additional thinking for incremental ideas associated with the Affordability Technical Conference, and looking forward to the conversation.

Q: **Nick Campanella:**

Thanks for those thoughts.

Operator: Thank you. And our next question in queue is coming from the line of Julien Dumoulin-Smith with Jefferies. Your line is now open.

Q: **Julien Dumoulin-Smith:**

Hey, good morning, Jason and team. Thank you guys very much. Appreciate the opportunity. Perhaps just keep it on going in the same direction that the prior questioners were; can we kick off a little bit on the timing of the transmission update? You made an allusion that later, I think you said specifically this year, you'd come back with some updates. How do you think about that against the backdrop of greater legislative scrutiny in particular of transmission here and how that might kick out plans into potentially '27? If you can try to square up what we're seeing from a political perspective on both data centers and transmission off late against your commentary about coming up -- coming back to updated transmission. Then if you have any comments about the substance of anything going on in Texas vis-a-vis timing of the large loads, I'd be curious as well.

A: **Jason Wells – President and CEO:**

Good morning, Julien. We are excited with the growth that we announced today. And as we've talked about previously and reaffirmed on this call, we intend to provide a more comprehensive transmission study update in the second half of this year. Look, I think it's incredibly important to do so. We've seen more growth than was anticipated originally out of Batch Zero. We see no indication that growth is slowing here in Texas. On that point, what I want to emphasize is outside of the Batch Zero large loads, we are seeing an uptick in interconnection requests at the distribution level. As you know, if the load request is less than 75 megawatts, it doesn't necessarily need to go through Batch Zero.

And as a result, what we're seeing already year-to-date is 500 megawatts of distribution-related requests just below that threshold, really to help enable advanced manufacturing, more distributed inference-related data centers, energy-related, logistics-related industries. And so we don't see growth slowing down.

So to come back to the point that's being raised around a larger debate around 765 kV. I don't think that the conversation really is should Texas slow down? I think the conversation is how do we most effectively work with communities to enable this ongoing growth in a constructive manner? And obviously, we will take the lead with state leadership in that regard. But I think the state is still aligned around continued growing. We see tailwinds accelerating, not decelerating.

We represent about 2.5% of the geography of Texas, 25% of the electric demand today. That's only growing. So we need more import capacity. And again, we will happily support the direction the state heads in the way to most efficiently support that continued economic growth. So we'll put our updated transmission study out in the second half of this year and engage to follow the direction of the state on how to enable that.

I think as it relates to this overall large load in Texas, look, our focus is on enabling our customers here in the Greater Houston region. We feel like we are in a unique position, having had 10 gigawatts of existing capacity in our transmission system. We could move quickly. I think that was a differentiator. During this ERCOT Batch process, we could, with modest incremental capital investments, unlock another 4 gigawatts through, which is the 14 gigs that we think will be eligible for Batch Zero that we've identified today. And look, as I said, it's not slowing down. And so back to the original question, that's why we need to continue to rebuild transmission capacity to support the next round of growth.

Q: **Julien Dumoulin-Smith:**

Awesome, guys. Thank you. Just a quick clarification in terms of financing and financing latitude. You particularly provided the sensitivity about what large loads can do in terms of incremental revenues. Can you just clarify, how much of that latitude is reflected in this updated plan here? Just how much of it are you could using and reflecting in the outlook, inasmuch as that's a pretty meaningful quantum of incremental revenues to come from large loads, especially as the large loads themselves accelerate? And obviously, I think to be very clear, that comes in tandem with the MobileGen cash f low uptick that is not reflected in the outlook still as well, right? There's several different buckets that are not reflected.

A: **Jason Wells – President and CEO:**

Sure, Julien. That's correct. Maybe there's probably a third category I'd add too, but the short answer is, we have not yet folded in the benefit from the demand charges from these large customer loads. It's also true that we've not yet folded in benefit from resolving the potential transaction related to the temporary generation units. We've indicated there we'll certainly have insight ahead of the end of the Q1 timeframe when those units do come back. And then the third one I would just emphasize again and this is more near-term, it's the likely prior historical recovery of the additional corporate alternative minimum tax amounts that would likely come through in 2027. And so those are the three components all representing tailwinds to the plan.

Q: **Julien Dumoulin-Smith:**

Yes, precisely, but all of the incremental large loads not reflected. So we'll see when you provide that comprehensive update. Thank you guys very much. All the best.

A: **Jason Wells – President and CEO:**

Thank you.

Operator: Thank you. Our next question coming from the line of Steve Fleishman with Wolfe Research. Your line is now open.

Q: **Steve Fleishman:**

Yeah. Hi, good morning.

A: **Jason Wells – President and CEO:**

Good morning, Steve.

Q: **Steve Fleishman:**

Just on the Indiana customer, do you think -- will there be ability to get more visibility on that by the end of this year both in terms of investment opportunity and also the potential savings for customers?

A: **Jason Wells – President and CEO:**

Yeah, Steve, I mean, we'd certainly like to give a more definitive update before the end of this calendar year. We continue to work it and make progress. So we'd love to be in a position before the end of the calendar year to give that update. Obviously, these things just take a little bit of time. And we, as we've talked about, are already working on advancing the actual work for the interconnections, and we hope to provide a more comprehensive, definitive announcement before the end of the year.

As we've already announced, we believe that at least the initial level of demand in Indiana could support about $250 million of residential customer savings over the next 15 years. And as we look to work with multiple parties, hopefully we can continue to expand on that and give even more customer benefit down the road. So, continuing to work it and hopefully we'll have this finalized before the end of the calendar year.

Q: **Steve Fleishman:**

Okay. And then maybe in Texas. So just to kind of make sure I've got the growth right, the 65% that you talk about growth, is that just from the large load and that does not include the growth coming from kind of distribution-level customers?

A: **Jason Wells – President and CEO:**

That's right, Steve. This is just Batch Zero and does not include what we would see from distribution-level customers. And as I've indicated, we're actually seeing an uptick in distribution level demand. So growth will be well north of this. We just want to provide the batch zero update, given the process is concluding here this summer.

Q: **Steve Fleishman:**

Okay, great. Thank you.

A: **Jason Wells – President and CEO:**

Thanks, Steve.

Operator: Thank you. Our next question coming from the line of Jeremy Tonet with J.P. Morgan. Your line is now open.

Q: **Jeremy Tonet:**

Hi, good morning.

A: **Jason Wells – President and CEO:**

Good morning, Jeremy.

Q: **Jeremy Tonet:**

I just want to come back. I think you had talked about earlier in [ph] Texas $5 billion of customer savings for the 14 gigawatts of Batch Zero, I think there. And so I was just curious, I guess, if you could expand on that a little bit more. What does that look like on a like-for-like annual or monthly savings? And just wondering, I guess, how this influences the tone of conversations with stakeholders?

A: **Jason Wells – President and CEO:**

Yeah, I think in both states, both Indiana and Texas, there's alignment at state leadership level through the local level that continued economic development is the path to the strongest customer affordability profile that we could provide. I mean, there's no better case study than what we are seeing here in Texas with the growth in Houston effectively keeping rates essentially flat for over a decade.

Indiana has not seen the level of growth that Texas has, but state leadership understands the opportunities that sit in front of us and we are all working both at the state, local, and to utility level to deliver economic growth for our customers and our communities, it's clearly the path that keeps rates more affordable for our customers over the long-term. I think is well understood to both states.

Q: **Jeremy Tonet:**

And should the sufficient demand materialize in Indiana as such, I guess, how would that influence your thoughts on the potential for our Genco and whether that would be worthwhile beneficial to all stakeholders?

A: **Jason Wells – President and CEO:**

As we said in the past around the Genco structure, I think it's a very innovative structure. It wasn't necessarily needed for us, if we're talking about serving 1.5 gigs or less. We have that. Incremental capacity in our system without significant generation investment on our side, as we work with multiple customers in that region and demand may exceed that 1.5 gigawatts. I think the generation -- the Genco structure could be something that we pursue. Our focus right now is landing the large load customers. And again, if it exceeds that 1.5 gigawatts, we may pursue a Genco structure down the road.

Q: **Jeremy Tonet:**

Got it. Understood. Helpful. Thank you very much.

Operator: Thank you. Our next question is coming from the line of Richard Sunderland with Truist Securities. Your line is now open.

Q: **Rich Sunderland:**

Hey, good morning and thank you for the time today. I'll stick with the Indiana side for now. Could you parse a little bit more around that short and medium-term capacity unlock reference in the script? Would that all be to the benefit of the first customer or is that accelerating discussions with a potential second customer opportunity? I guess I'm curious how that element specifically is impacting conversations overall?

A: **Jason Wells – President and CEO:**

It's got more of the latter in terms of unlocking multiple conversations with customers that would generally follow a similar timeline in terms of interconnections. It's capacity that exists. We want to serve and land large loads to help support economic development. If it's one customer, and one customer is interested in that capacity, that is great. If it's multiple customers, that is also great. Our focus is ensuring that that capacity is utilized. And so right now, it is unlocked multiple customer conversations, but we're just looking to do the right thing for the community and land those large loads.

Q: **Rich Sunderland:**

Got it. That's helpful color there. And then turning back to Texas, there were some discussions throughout around kind of the 765 KV efforts, and I think you said working with communities to enable this growth is what you see as a focus. How do you see that backdrop and that overlay impacting your routing work right now? And the potential outcome of that routing update on 1Q? Are you thinking about the routing work in any different fashion? Any other thoughts there would be helpful. Thank you.

A: **Jason Wells – President and CEO:**

Yeah, absolutely. We're thinking about the routing in a different way. We've been, I think sort of on the front-end of engaging communities in a different manner, webinars to sort of pre-soak the idea of these projects, working with elected officials on the basis for these potential routes, narrowing the number of routes that we'll propose to limit the impact to landowners to obviously the town halls and workshops that we have.

We really want to work constructively in these communities, demonstrating sort of the value of the local benefits of the construction and ongoing property tax work. We want to work with the landowners to find optimal routes that create the least amount of disruption. And so we have taken a very community-centric approach as we've started to embark on the routing work that will be finalized, as I said, sometime in the first quarter next year.

Q: **Rich Sunderland:**

Great. Thanks for all that.

Operator: Thank you. Our next question is coming from the line of Sophie Karp with KeyBanc. Your line is now open.

Q: **Sophie Karp:**

Hi, good morning, and thank you for taking my question. So, to go back to Indiana, I guess, are you thinking that you will be able to show customer benefits in some tangible way when you have your first customer there signed up or will that come later as an offset to future capital needs as you begin to add to your array [ph] base there to service those customers?

A: **Jason Wells – President and CEO:**

Good morning, Sophie, and thanks for the question. We will begin to be able to show immediate customer benefits because we have existing capacity on our system today that, once we interconnect a large load will start to be absorbed by that new large load customer as opposed to by our existing customers. So it doesn't require significant incremental investment down the road to unlock that customer. Really it's immediate as we get the large load online.

Q: **Sophie Karp:**

Right. So will that f low as bill credits or just as a reduced bill, I guess just trying to understand how visible will that be for rate payers?

A: **Jason Wells – President and CEO:**

It's more the latter. It's in offsets.

Q: **Sophie Karp:**

Got you. Got it. Okay. And then just on the timeline of Batch Zero process and interconnection of all these projects, do you anticipate -- what do you anticipate in terms of the timeline? I guess I don't want to put the words in your mouth in terms of how long until shovels go into the ground from this because there can be so many administrative and permitting delays. So, I'm just kind of curious to see what the anticipated timeline is from paper here into shovels in the ground?

A: **Jason Wells – President and CEO:**

We've got work well underway. As we've indicated here on one of our slides, we're anticipating connecting 3 gigawatts in '27. And so that work is underway, from construction, as you said, shovels in the ground, out in the field. As it relates to the work on 2028, we're well down the road in the engineering. We've secured long lead time materials. That work will begin here shortly.

In terms of what we're looking for, on August 7th, we should have confirmation of the megawatts -- sorry, gigawatts that are in base load. I think that will start in earnest with the field construction work really beginning site preparation, civil work, et cetera. There will be some of the Batch Zero study load projects that will likely want to understand the amount of energy they're allocated, which won't be finalized until April of 2027.

Some of those projects as a result may be delayed from a construction standpoint, but at this point, just given this compressed timeline of the majority of this coming online before the end of the decade, we are starting engineering. We are -- we have secured long lead time materials and we're ready to begin construction when the customer gives us notification to advance them.

Q: **Sophie Karp:**

All right. Thank you so much. Appreciate the comments.

A: **Jason Wells – President and CEO:**

Thank you.

Operator: Thank you. And our last question will come from the line of Anthony Crowdell with Mizuho Group. Your line is now open.

Q: **Anthony Crowdell:**

Hey, good morning, team. Just a follow-up to Sophie's question then another question. Just on the Batch Zero process, for the customers that don't get selected, maybe they applied, they thought they were going to get selected, they -- for whatever reason and qualify, is there an appeal process for them? And does that have the potential to maybe slow anything down?

A: **Jason Wells – President and CEO:**

Yeah. Thanks, Anthony, for the question. As we've indicated here, we have 3 gigawatts of very viable projects that would like to move forward, submitted their studies. Unfortunately, those studies were not approved by ERCOT and so that's why we haven't classified them as either base load or study load. But we continue to advocate on behalf of those customers, those customers continue to advocate.

The good faith exemption that ERCOT announced is not necessarily oriented towards addressing those customers who have not had a study approved by ERCOT, but this is very meaningful growth for our communities. And so we will continue to work with ERCOT, our customers to advocate to find a path to energization. It's just at this point, it's unclear what that path exactly looks like.

Q: **Anthony Crowdell:**

Great. And I know Chris gets upset when he doesn't get a question, but just -- Chris, the credit cushion is getting larger, but the Moody's outlook remains negative. Just curious on your conversation with the agency of any timing or time frame of maybe when they give an update or just any latest conversation with the agency?

A: **Chris Foster – CFO:**

Well, thank you, Anthony, for the question. So the short of it is, you're right. When we came through Q1, we had mentioned that we were going to be relatively light on FFO to debt. We've spent time with Moody's on that. But we've been through really all the key issues that they wanted to see progress on. I really do think it's meaningful that we delivered almost 100 basis points of improvement quarter-over-quarter here, and that cushion is only going to grow because, again, keep in mind, I referenced, and we spent time with Moody's on this. We referenced roughly 30 basis points of improvement that's coming here in Q3 alone that wasn't previously in plan related to that corporate alternative minimum tax amount. So, excuse me, in short confident we'll be able to make progress. I can't certainly give specific timing for Moody's, but you'll hear relatively soon.

Operator: Thank you. I'm showing no further questions at this time. Ladies and gentlemen, this concludes CenterPoint Energy's second quarter 2026 earnings conference call. Thank you for your participation, and you may now disconnect.

Forward-Looking Statements

This document contains "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 document are forward-looking statements made in good faith by CenterPoint Energy, Inc. ("CenterPoint" 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's expectations, beliefs, plans, objectives, goals, strategies, future operations, events, financial position, earnings and guidance, growth, costs, prospects, capital investments or performance or underlying assumptions and other statements that are not historical facts. You should not place undue reliance on forward-looking 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 news release or on the earnings conference call include statements about Houston Electric's Greater Houston Resiliency Initiative ("GHRI") and System Resiliency Plan ("SRP") (including with respect to timing, filings related thereto, anticipated benefits, and related matters), the proposed sale of our Ohio natural gas LDC business (including with respect to timing, anticipated benefits, and related matters), Houston Electric's release of its 15 large 27 megawatt ("MW") to 32 MW TEEEF units to the San Antonio area and its ability to complete one or more other future transactions involving various sizes of TEEEF units (including with respect to timing, filings related thereto, corresponding reductions in Houston Electric's TEEEF fleet capacity, anticipated benefits including with respect to rates, expected market demand for the units, and related matters), capital investments (including with respect to incremental capital opportunities, deployment of capital, financing of such projects, and anticipated benefits related thereto), the timing of, projections for, and anticipated benefits from the settlement of, rate cases for CenterPoint and its subsidiaries, the timing and extent of CenterPoint's recovery, including with regards to its restoration costs for, among other things, the severe weather events in May 2024 ("May 2024 Storm Events") and Hurricane Beryl, generation transition plans and projects, projects included in CenterPoint's Natural Gas Innovation Plan and System Resiliency Plan, and projects included under its 10-year capital plan, electric demand growth in CenterPoint's service territories (including our forecasts of, capital investment opportunities related to, the timing of investments related to, and anticipated benefits of such growth), the extent of anticipated benefits of the completed sale of our Louisiana and Mississippi natural gas LDC businesses, future earnings and guidance, including long-term growth rate, dividend growth, customer charges, operations and maintenance expense reductions, financing plans (including with respect to the restoration costs for the May 2024 Storm Events and Hurricane Beryl and the timing and anticipated benefits of any future equity issuances, forward sales, securitization, credit metrics and parent level debt), the timing, funding, and anticipated benefits of our 10-year capital plan, the Company's 2.0% Zero-Premium Exchangeable Subordinated Notes due 2029 ("ZENS") and impacts of the maturity of ZENS, CenterPoint's continued focus on credit, balance sheet strength, liquidity and credit ratings, tax planning opportunities, future financial performance and results of operations, including with respect to regulatory actions and recoverability of capital investments, customer rate affordability, value creation, opportunities and expectations, and expected customer growth. We have based our forward-looking statements on our management's beliefs and assumptions based on information currently available to our management 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 information include, but are not limited to, risks and uncertainties relating to: (1) the business strategies and strategic initiatives, restructurings, joint ventures and acquisitions or dispositions of assets or businesses involving CenterPoint or its industry, including the ability to successfully complete such strategies, initiatives, transactions or plans on the timelines we expect or at all, such as our plan to sell our Ohio natural gas LDC business or the completed sale of our Louisiana and Mississippi natural gas LDC businesses, which we cannot assure you will have the anticipated benefits to us; (2) industrial, commercial and residential growth in CenterPoint's service territories and changes in market demand, including in relation to the expansion of data centers, energy export facilities, including hydrogen facilities, electrification of industrial processes and transport and logistics, as well as the effects of energy efficiency measures and demographic patterns, and our ability to appropriately estimate and effectively manage business opportunities relating to such matters; (3) CenterPoint's ability to fund and invest planned capital, and the timely recovery of its investments, including those related to Houston Electric's GHRI and SRP; (4) the ability to timely execute Houston Electric's GHRI and SRP; (5) our ability to successfully construct, repair, maintain and restart electric generating facilities, natural gas facilities, TEEEF and electric transmission facilities; (6) the timing and success of, and our ability to obtain approval for, Houston Electric's release of its large TEEEF units to the San Antonio area, reduction of its TEEEF fleet capacity and reduction of rates to reflect the removal of the large TEEEF units from Houston Electric's TEEEF fleet, as well as our ability to complete one or more other future transactions involving various sizes of TEEEF units on acceptable terms and conditions within the anticipated timeframe; (7) financial market and general economic conditions, including access to debt and equity capital, inflation, potential for recession, interest rates, and their effect on sales, prices and costs; (8) disruptions to the global supply chain and volatility in commodity prices, including resulting from tariffs, trade agreements, retaliatory trade measures or changes in trade relationships; (9) actions by credit rating agencies, including any potential downgrades to credit ratings; (10) the timing and impact of regulatory proceedings and actions and legal proceedings, including those related to, among other things, the May 2024 Storm Events, Hurricane Beryl, Houston Electric's TEEEF units and the February 2021 winter storm event, and requested or favorable adjustments to rates and approval of other requested items as part of base rate proceedings or interim rate mechanisms; (11) federal, state and local legislative, executive, regulatory and political actions or developments, including any actions resulting from Hurricane Beryl, actions pertaining to trade (including tariffs, bans, retaliatory trade measures taken against the United States or related government action), tax legislation (including effects of the One Big Beautiful Bill Act, Executive Order 14315, and the Inflation Reduction Act) and developments related to the environment; (12) the impact of public health threats; (13) weather variations and other natural phenomena, including severe weather events, and CenterPoint's ability to mitigate weather impacts, including the approval and timing of securitization issuances; (14) the impact of potential wildfires; (15) changes in business plans; (16) advances in, our ability to timely adopt, develop and deploy, artificial intelligence; (17) the availability of, prices for and our ability to procure materials, supplies or services and scarcity of and changes in labor for current and future projects and operations and maintenance costs; (18) CenterPoint's ability to timely obtain and maintain necessary licenses and permits from local, federal and other regulatory authorities on acceptable terms and resolve third-party challenges to such licenses or permits, as applicable; (19) CenterPoint's ability to execute on its initiatives, targets and goals, including its net zero and greenhouse gas emissions reduction goals and operations and maintenance goals; and (20) other factors discussed in CenterPoint's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 and CenterPoint's Quarterly Report on Form 10-Q for the quarters ended March 31, 2025 and June 30, 2025, including 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 ("SEC") by CenterPoint, which can be found at www.centerpointenergy.com on the Investor Relations page or on the SEC website at www.sec.gov.

This document 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 document 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.

Use of Non-GAAP Financial Measures

In this document, CenterPoint presents, based on net income (loss), diluted earnings (loss) per share, and net cash provided by operating activities to total debt, net, and gross margin to total debt, net, the following financial measures which are not generally accepted accounting principles ("GAAP") financial measures: non-GAAP income, non-GAAP diluted earnings per share ("non-GAAP EPS"), as well as non-GAAP funds from operations / non-GAAP rating agency adjusted debt (Moody's and S&P) ("FFO/Debt"). 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.

2024 and 2025 non-GAAP EPS excluded and 2025 non-GAAP EPS guidance excludes: (a) Earnings or losses from the change in value of ZENS and related securities, (b) Gain, losses and impact, including related expenses, associated with mergers and divestitures, such as the divestiture of our Louisiana and Mississippi natural gas LDC businesses, and (c) With respect to 2025 non-GAAP EPS and 2025 non-GAAP EPS guidance, impacts related to temporary emergency electric facilities ("TEEEF") once they are no longer part of our rate-regulated business. In providing 2024 and 2025 non-GAAP EPS and 2025 non-GAAP EPS guidance, CenterPoint does not consider the items noted above and other potential impacts such as changes in accounting standards, impairments or other unusual items, which could have a material impact on GAAP reported results for the applicable guidance period. The 2025 non-GAAP EPS guidance ranges also consider 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, and regulatory and judicial proceedings. To the extent actual results deviate from these assumptions, the 2025 non-GAAP EPS guidance range may not be met, or the projected annual non-GAAP EPS growth rate may change. CenterPoint is unable to present a quantitative reconciliation of forward-looking non-GAAP diluted earnings per share without unreasonable effort because changes in the value of ZENS and related securities, future impairments, and other unusual items are not estimable and are difficult to predict due to various factors outside of management's control.

Funds from operations (Moody's) excludes from net cash provided by operating activities accounts receivable and unbilled revenues, net, inventory, taxes receivable, accounts payable, and other current assets and liabilities, and includes certain adjustments consistent with Moody's methodology, including adjustments related to operating lease costs, stock dividends, non-recurring items, and net defined benefit plan contributions. Non-GAAP rating agency adjusted debt (Moody's) adds to Total Debt, net certain adjustments consistent with Moody's methodology, including operating lease costs, stock dividends, non-recurring items, and net defined benefit plan contributions and further adjustments related to Winter Storm Uri debt as well as CEHE storm related costs.

Funds from operations (S&P) excludes from gross margin, O&M, taxes and other, cash interest paid and cash taxes paid, and includes certain adjustments consistent with S&P's methodology, including adjustments related to operating lease costs, preferred stock dividends, nonrecurring items, and net defined benefit plan contributions. Non-GAAP rating agency adjusted debt (S&P) adds to Total Debt, net certain adjustments consistent with S&P's methodology, including adjustments related to Winter Storm Uri related debt and CEHE storm related debt.

A reconciliation of net income (loss) and diluted earnings (loss) per share to the basis used in providing guidance, as well as a reconciliation of net cash provided by operating activities / total debt, net (and gross margin to total debt, net) to FFO/Debt provided in the appendix of CenterPoint's slide presentation used to present its first quarter earnings information.

Management evaluates the Company's financial performance in part based on non-GAAP income, non-GAAP EPS and long-term FFO/Debt. Management believes that presenting these non-GAAP financial measures enhances an investor's understanding of CenterPoint's overall financial performance by providing them with an additional meaningful and relevant comparison of current and anticipated future results across periods. The adjustments made in these non-GAAP financial measures exclude items that Management believes do not most accurately reflect the Company's fundamental business performance. These excluded items are reflected in the reconciliation tables, where applicable. CenterPoint's non-GAAP income, non-GAAP EPS and FFO/Debt financial measures should be considered as a supplement to, and not as a substitute for, or superior to, net income (loss), diluted earnings (loss) per share, net cash provided by operating activities to total debt, net and gross margin to total 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.

Net Zero Disclaimer

CenterPoint's **Scope 1** greenhouse gas ("GHG") emissions estimates are calculated from GHG emissions that directly come from its operations. CenterPoint's **Scope 2** GHG emissions estimates are calculated from GHG emissions that indirectly come from its energy usage, but because Texas is in an unregulated market, its Scope 2 GHG emissions estimates do not take into account Texas electric transmission and distribution assets in the line loss calculation and exclude GHG emissions related to purchased power between 2024E2026E. CenterPoint's **Scope 3** GHG emissions estimates are based on the total natural gas supply delivered to residential and commercial customers as reported in the U.S. Energy Information Administration (EIA) Form EIA-176 reports and do not take into account the GHG emissions of transport customers and GHG emissions related to upstream extraction. CenterPoint's analysis and plan for execution to achieve its Net Zero GHG emissions (Scope 1 and certain Scope 2) by 2035 goals and its 20-30% reduction in Scope 3 GHG emissions by 2035 as compared to 2021 levels goal require it to make a number of assumptions. These goals and underlying assumptions involve risks and uncertainties and are not guarantees. Should one or more of these underlying assumptions require updating, CenterPoint's actual results and ability to make progress towards and achieve its Net Zero and GHG emissions reduction goals and the timing thereof could differ materially from its expectations. Certain of the assumptions that could impact its ability to make progress towards and meet its Net Zero and GHG emissions reduction goals and the timing thereof include, but are not limited to: GHG emission levels, service territory size and capacity needs remaining in line with company expectations (including with respect to demand for our services); the ability to appropriately estimate and effectively manage business opportunities from new customers and load growth resulting from, among other things, expansion of data centers, energy export facilities, including hydrogen facilities, electrification of industrial processes and transport and logistics in our service territories; regulatory approvals related to Indiana Electric's generation transition plan and CenterPoint's ability to obtain such approvals; impacts on affordability of customer rates; customer demand for GHG emissions free or lower GHG emissions energy; impacts of regulations, executive action or legislation, including those related to the environment and tax matters (including the effects of the OBBBA, Executive Order 14315 and the IRA and any further changes to or the repeal of the IRA); impacts of future carbon pricing regulation or legislation; price, availability and regulation of carbon offsets; price of fuel, such as natural gas; cost of energy generation technologies, such as wind and solar, natural gas and storage solutions; adoption of alternative energy by the public, including adoption of electric vehicles; rate of technology innovation with regards to alternative energy resources; CenterPoint's ability to implement its modernization plans for its pipelines and facilities; the ability to complete and timely implement generation alternatives to Indiana Electric's coal generation and retirement or fuel conversion dates of Indiana Electric's coal facilities by 2035; the ability to construct and/or permit new natural gas pipelines; the ability to procure resources needed to build at a reasonable cost, the lack of or scarcity of resources and labor, the lack of any project cancellations, construction delays or overruns (including as a result of tariffs, legislation, bans, potential retaliatory trade measures taken against the United States or related governmental action) and the ability to appropriately estimate costs of new generation; impact of any supply chain disruptions; changes in applicable standards, metrics, methodologies or frameworks; and enhancement of energy efficiencies.