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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d)**  
**of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): March 3, 2017**

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**CENTERPOINT ENERGY, INC.**  
(Exact name of registrant as specified in its charter)

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Texas  
(State or other jurisdiction  
of incorporation)

1-31447  
(Commission  
File Number)

74-0694415  
(IRS Employer  
Identification No.)

1111 Louisiana  
Houston, Texas  
(Address of principal executive offices)

77002  
(Zip Code)

**Registrant's telephone number, including area code: (713) 207-1111**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
- 
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**Item 7.01 Regulation FD Disclosure.**

The attached Exhibit 99.1 is a slide presentation that will be used with investors in meetings during the week of March 6, 2017 and is being posted to CenterPoint Energy, Inc.'s website.

**Item 9.01 Financial Statements and Exhibits.**

Exhibit 99.1 is furnished, not filed, pursuant to Item 7.01. Accordingly, the information in Exhibit 99.1 will not be incorporated by reference into any registration statement filed by CenterPoint Energy under the Securities Act of 1933, as amended, unless specifically identified as being incorporated by reference.

(d) Exhibits.

<u>EXHIBIT NUMBER</u>	<u>EXHIBIT DESCRIPTION</u>
99.1	Slides to be presented at investor meetings during the week of March 6, 2017

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CENTERPOINT ENERGY, INC.

Date: March 3, 2017

By: /s/ Kristie L. Colvin  
Kristie L. Colvin  
Senior Vice President and Chief Accounting Officer

EXHIBIT INDEX

**EXHIBIT  
NUMBER**

**EXHIBIT DESCRIPTION**

99.1

Slides to be presented at investor meetings during the week of March 6, 2017

# Focused on Energy Delivery, Positioned to Execute

Introduction to CenterPoint Energy  
March 2017



A Fortune 500 company included in the:

- S&P 500 Index
- S&P 500 Utility Index
- Dow Jones Utility Average Index
- PHLX Utility Sector Index
- Russell 1000 Index

# Cautionary Statement



This presentation and the oral statements made in connection herewith contain statements concerning our expectations, beliefs, plans, objectives, goals, strategies, future operations, events, financial position, earnings, growth, costs, prospects, capital investments or performance or underlying assumptions (including future regulatory filings and recovery, liquidity, capital resources, balance sheet, cash flow, capital investments and management, financing costs, and rate base or customer growth) and other statements that are not historical facts. These statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. You should not place undue reliance on forward-looking statements. Actual results may differ materially from those expressed or implied by these 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 presentation include statements about our review of our ownership interest in Enable Midstream Partners, LP (Enable Midstream), our acquisition of the retail energy services business of Continuum and Atmos Energy Marketing, including statements about future financial performance, margin, number of customers and operating income and growth, guidance, including earnings and dividend growth, future financing plans and expectation for liquidity and capital resources and expenditures, tax rates and interest rates, among other statements. 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 statements include but are not limited to the timing and impact of future regulatory, legislative and IRS decisions, financial market conditions, future market conditions, economic and employment conditions, customer growth, Enable Midstream's performance and ability to pay distributions, and other factors described in CenterPoint Energy, Inc.'s Form 10-K for the period ended December 31, 2016 under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Certain Factors Affecting Future Earnings" and in other filings with the SEC by CenterPoint Energy, which can be found at [www.centerpointenergy.com](http://www.centerpointenergy.com) on the Investor Relations page or on the SEC's website at [www.sec.gov](http://www.sec.gov).

Slide 16 is extracted from Enable Midstream's investor presentation as presented during the company's fourth quarter 2016 earnings call dated February 21, 2017. This slide is included for informational purposes only. The content has not been verified by CenterPoint Energy and CenterPoint Energy assumes no liability for the same. You should consider Enable Midstream's investor materials in the context of its SEC filings and its entire investor presentation, which is available on their website at <http://investors.enablemidstream.com/>.

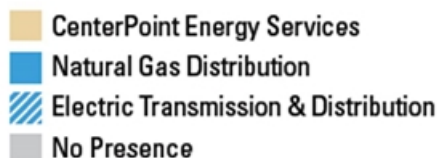
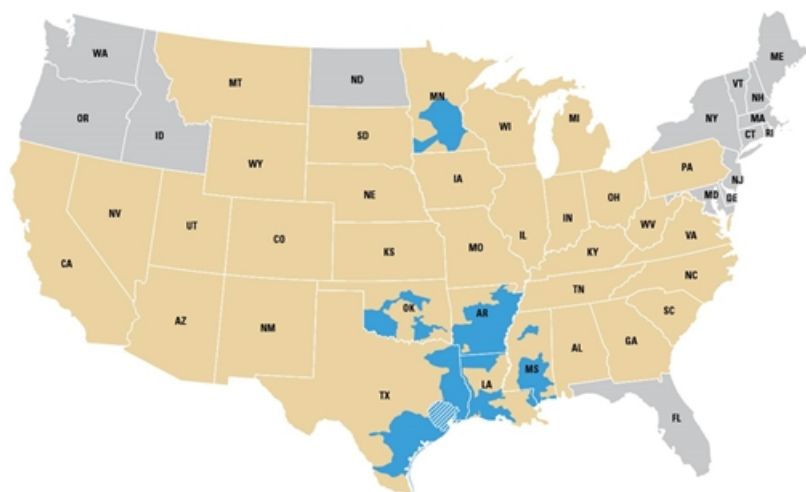
This presentation contains time sensitive information that is accurate as of the date hereof. Some of the information in this presentation is unaudited and may be subject to change. We undertake no obligation to update the information presented herein except as required by law. Investors and others should 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 addition to presenting its financial results in accordance with generally accepted accounting principles (GAAP), including presentation of net income and diluted earnings per share, CenterPoint Energy also provides guidance based on adjusted net income and adjusted diluted earnings per share, which are non-GAAP financial measures. 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. CenterPoint Energy's adjusted net income and adjusted diluted earnings per share calculation excludes from net income and diluted earnings per share, respectively, the impact of ZENS and related securities, mark-to-market gains or losses resulting from the company's Energy Services business and adjustments for impairment charges. A reconciliation of net income and diluted earnings per share to the basis used in providing 2016 guidance is provided in this presentation on slide 24. CenterPoint Energy is unable to present a quantitative reconciliation of forward-looking adjusted net income and adjusted diluted earnings per share because changes in the value of ZENS and related securities, mark-to-market gains or losses resulting from the company's Energy Services business and impairment charges are not estimable.

Management evaluates the company's financial performance in part based on adjusted net income and adjusted diluted earnings per share. We believe that presenting these non-GAAP financial measures enhances an investor's understanding of CenterPoint Energy'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 table on slide 24 of this presentation. CenterPoint Energy's adjusted net income and adjusted diluted earnings per share non-GAAP financial measures should be considered as a supplement to, and not as a substitute for, or superior to, net income and diluted earnings per share, 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.

- Overview
- Review of Business Segments
  - Electric Transmission and Distribution
  - Natural Gas Distribution
  - Energy Services
  - Midstream Investments
- Earnings Guidance
- Appendix



## Electric Transmission & Distribution:

- Electric utility operations with ~2.4 million metered customers across ~5,000 square miles in and around Houston, Texas
- 19<sup>th</sup> largest U.S. investor-owned electric utility by customer base <sup>(1)</sup>
- 86,828,902 MWh delivered in 2016

## Natural Gas Distribution:

- Regulated gas distribution jurisdictions in six states with ~3.4 million customers
- 6<sup>th</sup> largest U.S. gas distribution company by customer base <sup>(1)</sup>
- Delivered 411 BCF of natural gas in 2016

## Energy Services:

- Non-regulated competitive natural gas supply and related energy services serving ~33,000 commercial and industrial customers across 33 states
- Delivered 777 BCF of natural gas in 2016

<sup>(1)</sup> As of Dec. 31, 2015 per EEI and AGA



## **Our Vision: Lead the nation in delivering energy, service and value**

- We are a premier U.S. energy delivery company
- Delivering energy is CenterPoint Energy's core business
- Delivering service and value applies to all stakeholders

## **Our Strategy: Operate, Serve, Grow**

- Ensure safe, reliable, efficient and environmentally responsible energy delivery businesses
- Utilize new and innovative technology to enhance performance



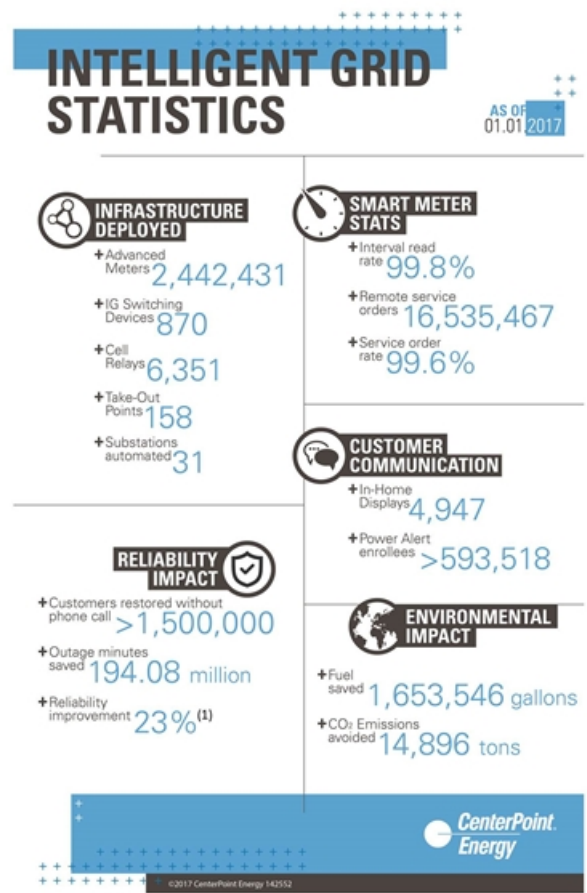
- Add value to energy delivery through superior customer service, new technology and innovation
- Provide leadership in the communities we serve

- Develop a diverse and capable employee base
- Invest in core energy delivery businesses
- Actively govern Enable Midstream investment

- Focused on delivering long-term value for all stakeholders
- Strong operating cash flow and balance sheet
- Solid historical dividend growth expected to continue
- Future capital investment in transmission and distribution assets is expected to sustain earnings momentum
- Capital recovery mechanisms at electric and natural gas utilities help reduce regulatory lag
- Lack of generation assets reduces the environmental risks generally associated with a fully integrated utility
- Commitment to customer experience improves regulatory relationships allowing for constructive dialog to optimize our business model
- Enable's financial performance and balance sheet strength translates into value for CenterPoint shareholders



- Absence of generation assets reduces CenterPoint’s carbon footprint compared to integrated utilities
- One of the first large scale Smart Meter deployments in the U.S.
- Deployed an Advanced Distribution Management System (ADMS) for overall situational awareness and management of its distribution system infrastructure in real-time
- ADMS, along with Advanced Metering System (AMS), intelligent grid equipment, and technology should allow for more efficient grid operation, increase grid reliability, and enable grid automated recovery and restoration



<sup>(1)</sup> Total since 2011

### **Utility Operations**

- Strong customer growth – over 90,000 new utility customers
- Total electric throughput up over 3% compared to 2015
- Capital expenditures of ~\$1.4 billion invested on behalf of our customers and total rate base growth of 5.4%
- Increased rate relief by \$95 million
- Earned ROEs near authorized levels at both electric and gas utilities
- Held O&M growth under 2%, excluding items with revenue offsets and acquisitions
- Acquired the retail energy services business of Continuum and in early 2017 Atmos Energy Marketing (AEM), expanding the scale, geographic reach, and capabilities of Energy Services

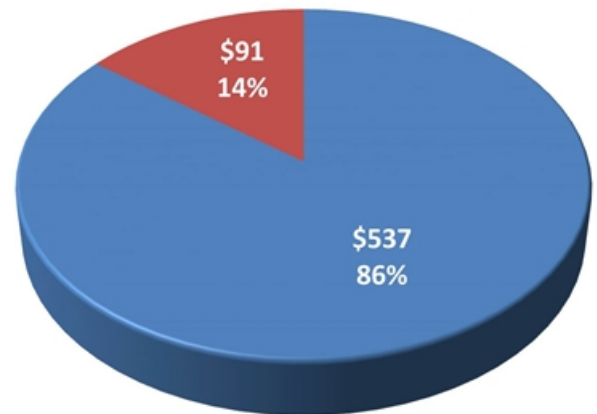
### **Midstream Investments**

- Net income attributable to common and subordinated units and distributable cash flow above the midpoint of 2016 guidance from Enable Midstream

- ~2.4 million metered customers; ~5,000 square miles in and around Houston, Texas
- Consistent residential customer growth of ~2%
- Nov. 2016 average residential electric price in TX: \$0.111/kwh<sup>(1)</sup>
- Has consistently earned at or near its 10% authorized ROE
- Transmission and distribution capital recovery mechanisms that reduce regulatory lag
- Delivery-only regulated utility
  - Poles and wires assets; no generation assets which reduces business, environmental, and regulatory risks; no provider of last resort risk
  - Direct customers are ~65 Retail Electric Providers (REPs)
  - Bad debt deferral

## 2016 Electric Transmission and Distribution Operating Income (\$, millions)

Total: \$628 million



- Electric transmission and distribution operations
- Transition and system restoration bond companies

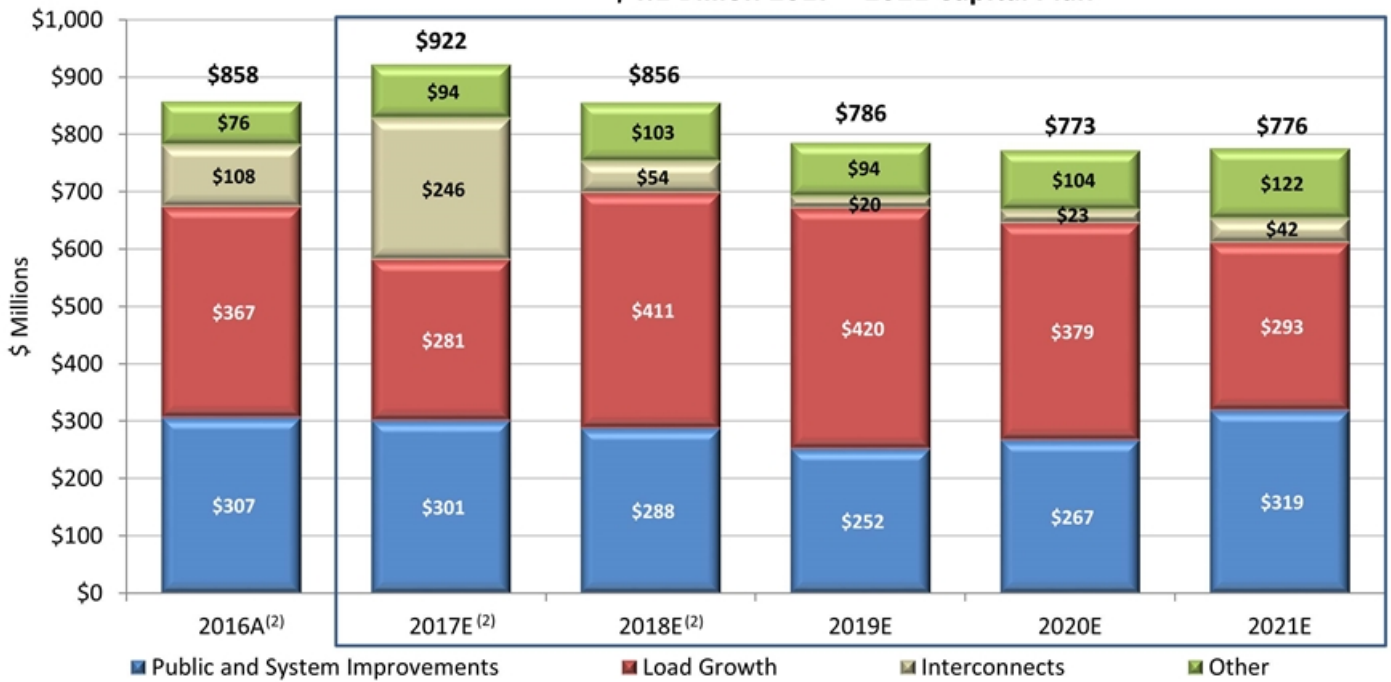
<sup>(1)</sup> U.S. Energy Information Administration; average price for all sectors was \$0.086



# Electric Transmission and Distribution Capital Investment Outlook <sup>(1)</sup>



## \$4.1 Billion 2017 – 2021 Capital Plan



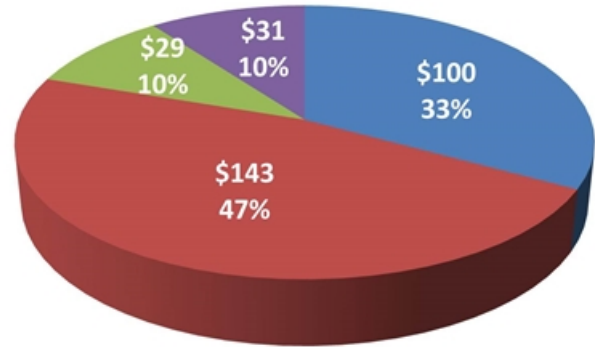
	2016A	2017E	2018E	2019E	2020E	2021E
<b>Transmission</b>	48%	50%	45%	47%	40%	31%
<b>Distribution</b>	49%	46%	50%	49%	56%	64%

<sup>(1)</sup> Includes AFUDC

<sup>(2)</sup> Capital expenditures related to the Brazos Valley Connection include \$72 million in 2016 and an estimated \$192 million and \$39 million in 2017 and 2018, respectively

- Six state footprint with vibrant metropolitan areas of Houston and Minneapolis
- ~3.4 million customers
- ~1% annual customer growth since 2010
- Earning near allowed returns; aggregate allowed ROE: 9.81%
- Capital recovery mechanisms that reduce regulatory lag

**2016 Natural Gas Distribution Operating Income (\$, millions)**  
**Total: \$303 million**



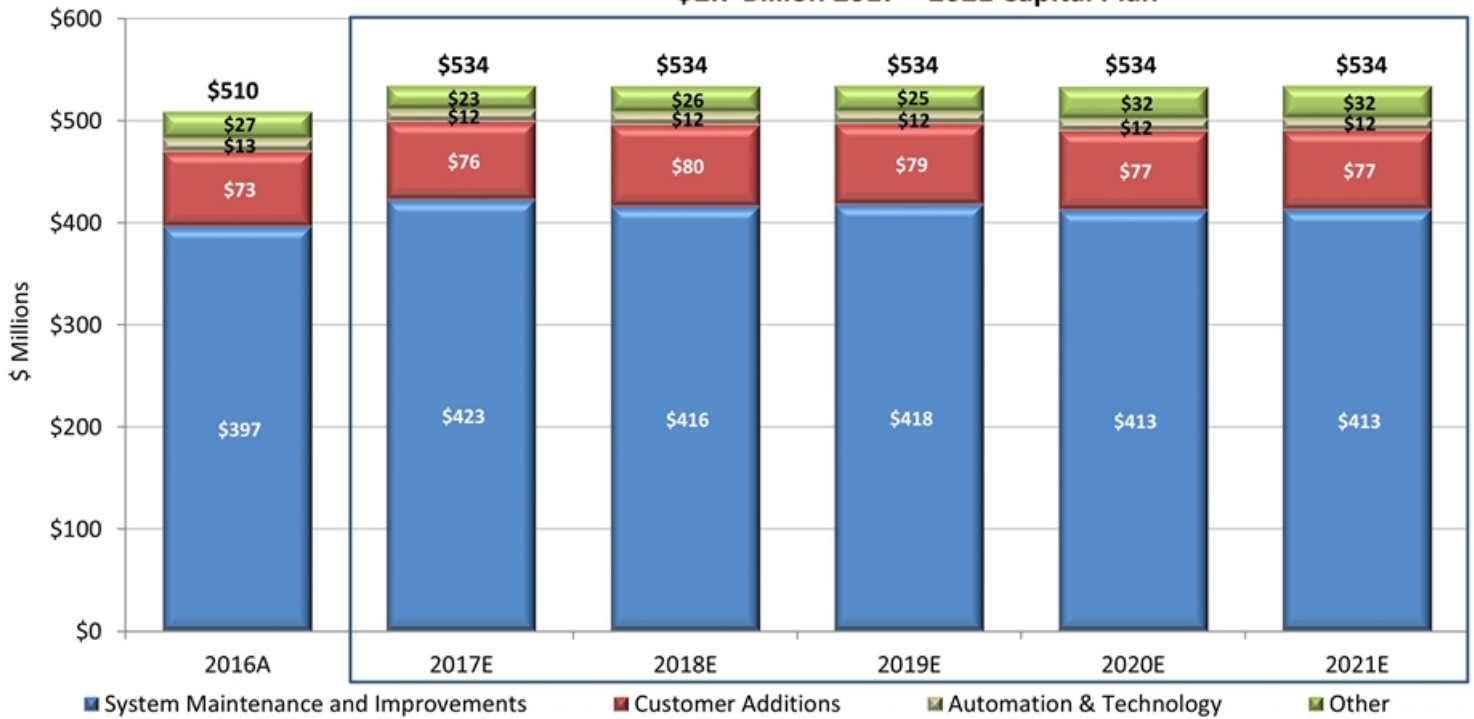
*~80% of 2016 Natural Gas Distribution Operating Income from Texas and Minnesota Operations*

- Texas
- Minnesota
- Arkansas
- Louisiana, Mississippi, Oklahoma

# Natural Gas Distribution Capital Investment Outlook <sup>(1)</sup>



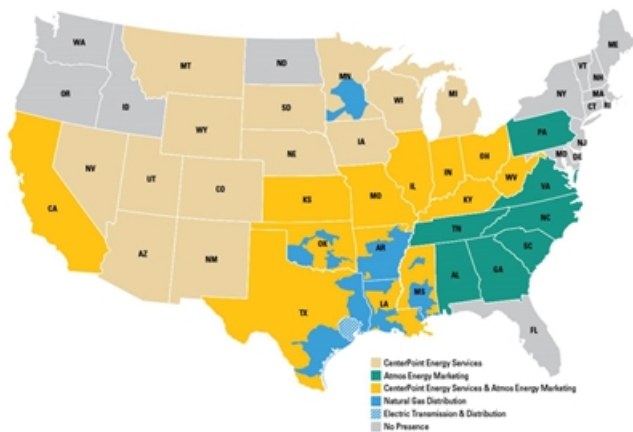
**\$2.7 Billion 2017 – 2021 Capital Plan**



Capital Recovery Method	2016A	2017E	2018E	2019E	2020E	2021E
Annual Mechanisms	27%	57%	63%	57%	63%	63%
Rate Cases	73%	43%	37%	43%	37%	37%

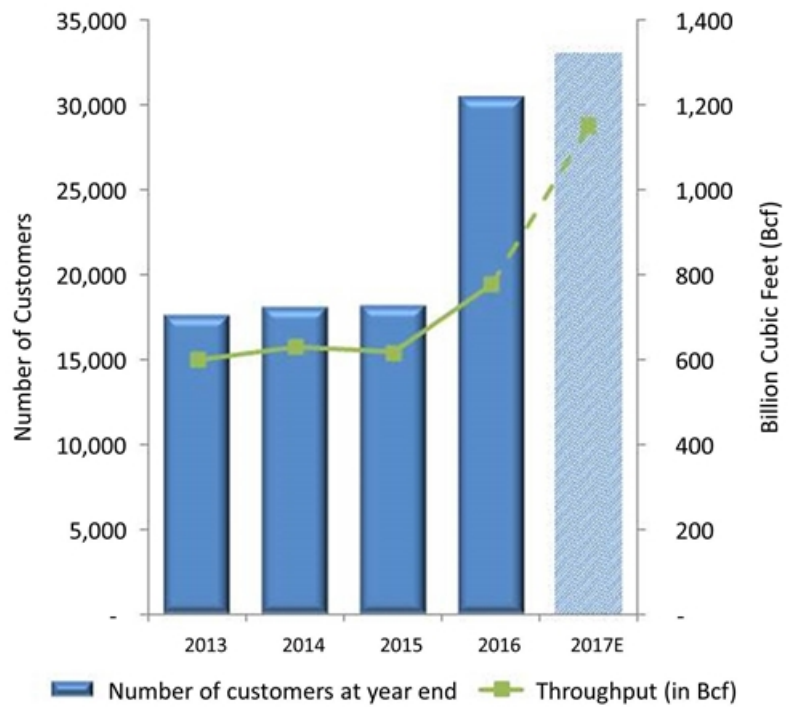
<sup>(1)</sup> Includes AFUDC





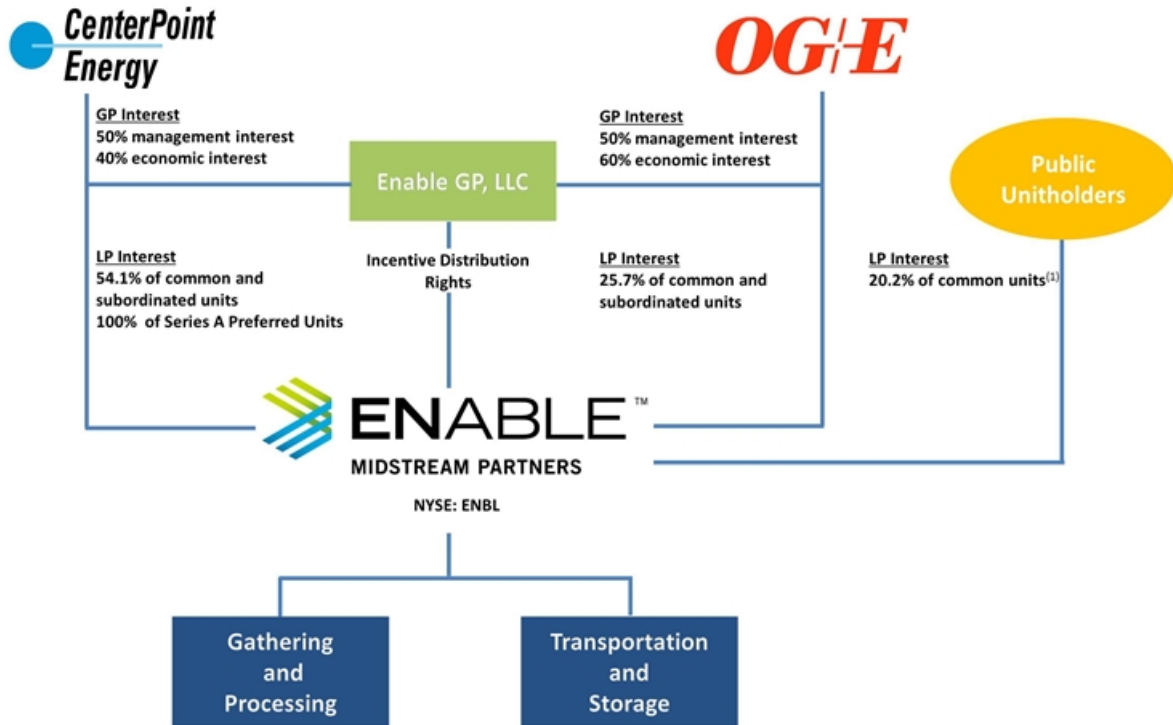
- Competitive natural gas supply and related energy services
- Non-regulated operations
- Complementary to natural gas utilities
- ~33,000 commercial and industrial customers across 33 states
- Low value-at-risk business model – storage and transportation capacity matched to retail customer needs

- Energy Services projected to contribute \$45 – \$55 million in operating income
- Acquisition of Continuum’s retail energy services business expected to be accretive to earnings
- Recent AEM acquisition expected to be modestly accretive to earnings



Customer count does not include natural gas customers that are under residential and small commercial choice programs invoiced by their host utility.

# Enable Midstream Partners, LP Ownership Structure



Note: As of December 31, 2016

<sup>(1)</sup> Percentage of common and subordinated units

## Recent Commercial Activity

### Gathering and Processing

- Signed a new 10-year, fee-based G&P contract in the STACK play that replaces a contract with a percent-of-proceeds (POP) processing arrangement

### Transportation and Storage

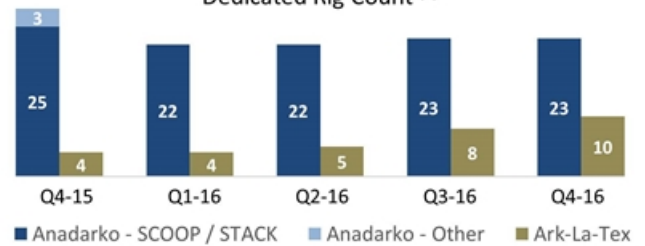
- Signed a new 20-year, 228,000 dekatherm per day (Dth/d) intrastate firm service agreement
- Extended a 126,000 Dth/d interstate firm service agreement for 4 additional years
- Extended a 305,000 Dth/d intrastate firm service agreement for 1 additional year

### Recent Commercial Success Benefits

Increase Fee-based Margin	✓
Reduce Commodity Exposure	✓
Extend Average Contract Life	✓
Support Continued Capital Deployment	✓

## Rig Activity Remains Strong

Dedicated Rig Count <sup>(1)</sup>



## Market-Leading SCOOP/STACK Processing Capacity<sup>(2)</sup>

### #1 in Processing Capacity

TOP 5

**ENABLE 1,485 MMcf/d**

PEER 1 703 MMcf/d

PEER 2 600 MMcf/d

PEER 3 470 MMcf/d

PEER 4 235 MMcf/d

Enable is well-positioned to benefit from operational leverage associated with leading processing capacity investments

Source: Enable Midstream Partners, February 21, 2017, Press Release and Q4 Earnings Call. Please refer to these materials for an overview of Enable's Q4 and full year 2016 performance

<sup>(1)</sup> Contractually dedicated rigs to Enable per Enable's quarterly earnings press releases

<sup>(2)</sup> Per Bentek as of February 1, 2017; represents processing capacity in designated SCOOP and STACK counties

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### **Criteria for Consideration of a Sale or Spin – sustainable value for our long-term shareholders**

- Comparable earnings per share and dividends
- Improve visibility of future earnings
- Seek to maintain current credit ratings

### **Ongoing Activities**

- Evaluating OGE's ROFO offer for sale option
- Continuing discussions with third parties for sale option
- Working to understand tax characteristics and market implications of a spin, including understanding tax leakage

# 2016 Guidance-Basis EPS Growth in Excess of 5% with Higher Growth Projected for 2017 <sup>(2)</sup>



2016 EPS



2015 - 2016 EPS on a Guidance (Non-GAAP) Basis + 2017 Guidance



\* 2017 Guidance of \$1.25 - \$1.33 assumes that earnings from Utility Operations and Midstream Investments will not both be at the top or bottom end of their respective ranges

## We anticipate 2017 EPS growth will be driven by:

- Utility rate relief and continued customer growth
- Increased contribution from CenterPoint Energy Services, partly attributable to recent acquisitions
- Increased earnings per Enable Midstream Partners' forecast <sup>(1)</sup>

<sup>(1)</sup> As provided on Enable's 4th quarter 2016 earnings call

<sup>(2)</sup> Refer to slide 24 for reconciliation to GAAP measures and slide 2 for information on non-GAAP measures



Category	Reference Material	Link
Financial Information	Quarterly Results	<a href="http://investors.centerpointenergy.com/results.cfm">http://investors.centerpointenergy.com/results.cfm</a>
	Debt & Maturity Schedules	
Regulatory Information	State Commission Website Access Points	<a href="http://investors.centerpointenergy.com/regulatory-info.cfm">http://investors.centerpointenergy.com/regulatory-info.cfm</a>
	Electric Transmission and Distribution	
	Natural Gas Distribution	
Industry Associations	Edison Electric Institute (EEI)	<a href="http://www.eei.org">www.eei.org</a>
	American Gas Association (AGA)	<a href="http://www.aga.org">www.aga.org</a>

**Investor Relations Contact Information – 011-713-207-6500**

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Olivia Webb – Manager; [olivia.webb@centerpointenergy.com](mailto:olivia.webb@centerpointenergy.com)

Brandi Summersill – IR Coordinator; [brandi.summersill@centerpointenergy.com](mailto:brandi.summersill@centerpointenergy.com)

## Appendix



## Electric Transmission and Distribution

- Distribution Cost Recovery Factor (DCRF) – filed annually
- Transmission Cost of Service (TCOS) – eligible to file 2 times per year

## Natural Gas Distribution

- Gas Reliability Infrastructure Program (GRIP) for capital cost recovery in Texas
- Formula Rate Plan (FRP) in Arkansas
- Forward Test Year in Minnesota
- Cost of Service Adjustment in Louisiana, Mississippi, and Oklahoma
- Gas Margin Stabilization
  - Minnesota Decoupling
  - Arkansas Billing Determinant Adjustment (BDA)
  - Weather Normalization Adjustment (WNA) in Arkansas, Louisiana, Mississippi, and Oklahoma



Note: For more information, refer to Regulatory Information and Q4 and full year 2016 earnings materials on our website

### ➤ 2016

- Adjusted FFO/Total Debt – 24% <sup>(1)</sup>
- Equity / Total Capital – 36% <sup>(1)</sup>
- Interest expense savings of \$14 million with over \$600 million of 6% plus debt retired in 2016 <sup>(1)</sup>

### ➤ 2017

- Planned capital investment of approximately \$1.5 billion
- Net incremental borrowings anticipated of \$200 - \$500 million; dependent on factors including bonus depreciation, capital investment plans and working capital
- Equity issuance not anticipated
- Anticipate competitive dividend growth of 4%
- Guidance EPS growth of 8% to 15% projected to reduce the 2017 payout ratio to be in the range of 80% to 86% (from \$1.07 / \$1.33 to \$1.07 / \$1.25)

<sup>(1)</sup> Excludes transition and system restoration bonds

Note: Refer to slides 25 and 26 for Adjusted FFO/Total Debt calculation and slide 2 for information on non-GAAP measures

### Effective Tax Rates

- CenterPoint's 2016 Effective Tax Rate was 37% (projected rate of 36% plus the income tax expense recognized due to the Louisiana state tax law change)

### Cash Tax Rates

- CenterPoint's 2016 cash tax rate was approximately 4%
  - All remaining federal tax carry forwards (NOLs, etc.) were utilized as of Dec. 31, 2016
  - Lower than the statutory rate primarily due to 50% bonus depreciation and taxable loss allocated from Enable

### Midstream Investment Impact

- Taxable income or loss at the Enable level is based on their operations and tax elections at the partnership level
- CenterPoint reports taxable income or loss on the consolidated tax return based on the Schedule K-1 that is received from Enable

# Reconciliation: Net Income (Loss) and Diluted EPS to Adjusted Net Income and Adjusted Diluted EPS Used in Providing Annual Earnings Guidance



	Twelve Months Ended			
	December 31, 2016		December 31, 2015	
	Net Income (in millions)	Diluted EPS	Net Income (in millions)	Diluted EPS
<b>Consolidated as reported</b>				
Midstream Investments	\$ 432	\$ 1.00	\$ (692)	\$ (1.61)
Utility Operations <sup>(1)</sup>	(121)	(0.28)	1,024	2.38
	<u>311</u>	<u>0.72</u>	<u>332</u>	<u>0.77</u>
<b>Loss on impairment of Midstream Investments:</b>				
CenterPoint's impairment of its investment in Enable (net of taxes of \$456) <sup>(2)</sup>	-	-	769	1.79
CenterPoint's share of Enable's impairment of its goodwill and long-lived assets (net of taxes of \$233) <sup>(3)</sup>	-	-	388	0.90
Total loss on impairment	-	-	1,157	2.69
<b>Midstream Investments excluding loss on impairment</b>	<u>121</u>	<u>0.28</u>	<u>133</u>	<u>0.31</u>
<b>Consolidated excluding loss on impairment</b>	<u>432</u>	<u>1.00</u>	<u>465</u>	<u>1.08</u>
<b>Timing effects impacting CES <sup>(2)</sup>:</b>				
Mark-to-market (gains) losses (net of taxes of \$8 and \$2) <sup>(3)</sup>	13	0.03	(2)	(0.01)
<b>ZENS-related mark-to-market (gains) losses:</b>				
Marketable securities (net of taxes of \$114 and \$33) <sup>(3)(4)</sup>	(212)	(0.49)	60	0.14
Indexed debt securities (net of taxes of \$145 and \$26) <sup>(3)(5)</sup>	268	0.62	(48)	(0.11)
<b>Utility operations earnings on an adjusted guidance basis</b>	<u>\$ 380</u>	<u>\$ 0.88</u>	<u>\$ 342</u>	<u>\$ 0.79</u>
<b>Adjusted net income and adjusted diluted EPS used in providing earnings guidance:</b>				
Utility Operations on a guidance basis	\$ 380	\$ 0.88	\$ 342	\$ 0.79
Midstream Investments excluding loss on impairment	121	0.28	133	0.31
<b>Consolidated on a guidance basis</b>	<u>\$ 501</u>	<u>\$ 1.16</u>	<u>\$ 475</u>	<u>\$ 1.10</u>

<sup>(1)</sup> CenterPoint earnings excluding Midstream Investments

<sup>(2)</sup> Energy Services segment

<sup>(3)</sup> Taxes are computed based on the impact removing such item would have on tax expense

<sup>(4)</sup> As of May 18, 2016, comprised of Time Warner Inc., Charter Communications, Inc. and Time Inc. Prior to May 18, 2016, comprised of Time Warner Inc., Time Warner Cable Inc. and Time Inc.

Results prior to June 23, 2015 also included AOL Inc.

<sup>(5)</sup> 2016 includes amount associated with the Charter Communications, Inc. and Time Warner Cable Inc. merger

2015 includes amount associated with Verizon tender offer for AOL, Inc common stock

Note: Refer to slide 2 for information on non-GAAP measures

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## Adjusted Funds From Operations (FFO)



(\$ in millions)	Year Ended December 31, 2016	Year Ended December 31, 2015
Amounts included in Cash Flows from Operating Activities:		
Net income (loss)	\$ 432	\$ (692)
Depreciation and amortization	1,126	970
Amortization of deferred financing costs	26	27
Deferred income taxes	213	(413)
Unrealized loss (gain) on marketable securities	(326)	93
Loss (gain) on indexed debt securities	413	(74)
Write-down of natural gas inventory	1	4
Equity in (earnings) losses of unconsolidated affiliates, net of distributions	(208)	1,779
Pension contributions	(9)	(66)
<b>Funds From Operations</b>	<b>\$ 1,668</b>	<b>\$ 1,628</b>
Amounts included in Cash Flows from Investing Activities:		
Distributions from unconsolidated affiliates in excess of cumulative earnings	297	148
Less: Amounts associated with Transition and System Restoration Bond Companies	(456)	(368)
<b>Adjusted Funds From Operations (FFO)</b>	<b>\$ 1,509</b>	<b>\$ 1,408</b>

This slide includes adjusted funds from operations ("FFO") which is net cash provided by operating activities:

- excluding (I) changes in other assets and liabilities, (II) other, net and (III) amounts related to transition and system restoration bonds; and
- including distributions from unconsolidated affiliates in excess of cumulative earnings included in cash flow from investing activities

## Ratio of Adjusted FFO/Total Debt Excluding Transition and System Restoration Bonds



(\$ in millions)	December 31, 2016	December 31, 2015
Short-term Debt:		
Short-term borrowings	\$ 35	\$ 40
Current portion of transition and system restoration bonds*	411	391
Indexed debt (ZENS)**	114	145
Current portion of other long-term debt	500	328
Long-term Debt:		
Transition and system restoration bonds*	1,867	2,276
Other	5,665	5,590
Total Debt	\$ 8,592	\$ 8,770
Less: Transition and system restoration bonds (including current portion)*	(2,278)	(2,667)
<b>Total Debt, excluding transition and system restoration bonds</b>	<b>\$ 6,314</b>	<b>\$ 6,103</b>
 <b>Adjusted FFO/Total Debt, excluding transition and system restoration bonds</b>	 <b>23.9%</b>	 <b>23.1%</b>

\* The transition and system restoration bonds are serviced with dedicated revenue streams, and the bonds are non-recourse to CenterPoint Energy and CenterPoint Energy Houston Electric.

\*\* The debt component reflected on the financial statements was \$114 million and \$145 million, as of December 31, 2016 and December 31, 2015, respectively. The principal amount on which 2% interest is paid was \$828 million on each of December 31, 2016 and December 31, 2015. The contingent principal amount was \$514 million and \$705 million as of December 31, 2016 and December 31, 2015, respectively. At maturity or upon redemption, holders of ZENS will receive cash at the higher of the contingent principal amount or the value of the reference shares of Time Warner Inc., Time Inc. and Charter Communications, Inc.

This slide includes adjusted funds from operations ("FFO") which is net cash provided by operating activities:

- excluding (I) changes in other assets and liabilities, (II) other, net and (III) amounts related to transition and system restoration bonds; and
- including distributions from unconsolidated affiliates in excess of cumulative earnings included in cash flow from investing activities