



CenterPoint Energy Reduces \$2.34 Billion Credit Facility to \$750 Million; Pays Down Nearly \$1.7 Billion Drawn Under Facility

HOUSTON, Dec 21, 2004 /PRNewswire-FirstCall via COMTEX/ -- CenterPoint Energy, Inc. (NYSE: CNP) announced today that it has permanently reduced its credit facility to \$750 million from \$2.34 billion. The credit facility was composed of a \$1.425 billion revolving credit facility (LIBOR + 300 basis points), which has been permanently reduced to \$750 million, and a \$915 million term loan (LIBOR + 350 basis points), which was fully paid down and retired on December 15. The company paid down the total amount of \$767 million drawn under the revolving facility.

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

"We are very pleased to begin executing our de-leveraging strategy," said David M. McClanahan, chief executive officer of CenterPoint Energy. "Since our separation from Reliant Energy in October 2002, we have worked very diligently to execute our strategy of monetizing our generation assets and using the proceeds to reduce our debt. Following the recent closing of our fossil generation assets, we are now in a position to reduce our debt levels as we committed to do."

The company previously announced that on December 24, 2004, it would redeem all \$375 million aggregate liquidation amount of 7.20 percent Trust Originated Preferred Securities, Series C of its indirect wholly owned subsidiary, REI Trust I.

The primary source of funding for these debt reductions was from the first step in the sale of the company's interest in Texas Genco Holdings, Inc., from which CenterPoint Energy received cash proceeds of \$2.231 billion on December 15, 2004.

CenterPoint Energy, Inc., headquartered in Houston, Texas, is a domestic energy delivery company that includes electric transmission & distribution, natural gas distribution and sales, interstate pipeline and gathering operations and an electric generation business that the company is under a contract to sell. The company serves nearly five million metered customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Oklahoma, and Texas. Assets total about \$17 billion after giving effect to the first step in the sale of Texas Genco Holdings, Inc. With more than 9,000 employees, CenterPoint Energy and its predecessor companies have been in business for more than 130 years. For more information, visit the Web site at <http://www.CenterPointEnergy.com> .

SOURCE CenterPoint Energy, Inc.

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