



CenterPoint Energy's Transition Bond Company to Enhance Disclosure

HOUSTON--July 17, 2003 -- CenterPoint Energy, Inc. announced today that its indirect subsidiary, CenterPoint Energy Transition Bond Company, LLC, will provide increased disclosure to investors regarding credit and other performance information as it relates to its approximately \$729 million of outstanding transition bonds that were issued in October 2001.

The transition bonds are a special form of asset-backed security (ABS) issued by a special purpose subsidiary of a sponsoring utility according to the Texas electric restructuring law that was enacted in 1999. A specific charge imposed on the distribution of electricity to customers supports principal and interest payments on these transition bonds, which were authorized by the Public Utility Commission of Texas (Texas Utility Commission) under a financing order that is now binding, irrevocable and can not be appealed.

Pursuant to its undertaking, the Transition Bond Company will, among other things:

- Continue filing regular 10-K, 10-Q and 8-K reports with the Securities and Exchange Commission (SEC) as long as its transition bonds are outstanding, even if it is eligible to suspend such filings; and
- Include in its SEC reports:
 - Quarterly disclosure of payments to the bond indenture trustee;
 - Quarterly disclosure stating whether, in all material respects, for each materially significant retail energy provider (REP), (i) each REP has been billed in compliance with the applicable financing order of the Texas Utility Commission, (ii) each REP has made all payments in compliance with the requirements outlined in the financing order, and (iii) each REP satisfies the creditworthiness requirements of the financing order;
 - Quarterly disclosure of collection account and sub-account balances and semi-annual disclosure of payments of principal on the transition bonds, as well as semi-annual updated summary of scheduled versus actual payments of principal on the transition bonds;
 - Annual statements required under the servicing agreement regarding transition bond balances, the balances of the collection account and sub-accounts and certain projections of those balances;
 - Any change in the long-term or short-term credit ratings assigned by the rating agencies to the affiliated servicer;
 - True-up filings made with the Texas Utility Commission (or web site links to those filings) as they relate to proposed adjustments to customer charges to meet payments by the Transition Bond Company to bondholders, and the actions taken on those filings by the Texas Utility Commission; and
 - Any regulatory or legislative changes that would reasonably be expected to have a material effect on the transition bonds.

Representatives of the Transition Bond Company will consult periodically with the Texas Utility Commission's financial advisor and with secondary market makers in the transition bonds to discuss transition bond liquidity and trading. They will also conduct informational meetings or conference calls and distribute information to ABS research analysts and corporate fixed income market participants. The company will also seek to make available on a web page a monthly statement of payments made to the bond indenture trustee, additional information regarding the transition bonds, the company's SEC filings and the organizational structure of the issuer and the affiliated servicer.

The Transition Bond Company is undertaking to provide this information in response to a desire expressed by the Texas Utility Commission through its financial advisor, Saber Partners, LLC, to improve the amount and timeliness of information available in the market regarding this type of ABS.

CenterPoint Energy, Inc., headquartered in Houston, Texas, is a domestic energy delivery company that includes electric transmission and distribution, natural gas distribution and sales, interstate pipeline and gathering operations, and more than 14,000 megawatts of power generation in Texas. The company serves nearly five million customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Missouri, Oklahoma, and Texas. Assets total more than \$20 billion. CenterPoint Energy became the new holding company for the regulated operations of the former Reliant Energy, Incorporated in August 2002. With

more than 11,000 employees, CenterPoint Energy and its predecessor companies have been in business for more than 130 years. For more information, visit the Web site at www.CenterPointEnergy.com.

This news release includes forward-looking statements. Actual events and results may differ materially from those projected. Factors that could affect actual results include the timing and impact of future regulatory and legislative decisions, effects of competition, weather variations, changes in CenterPoint Energy's business plans, financial market conditions and other factors discussed in CenterPoint Energy's filings with the Securities and Exchange Commission.

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