

NOTICE OF REDEMPTION

**To the Holders of
HL&P Capital Trust II
8.257% Capital Securities, Series B
CUSIP Number: 40420EAA5***

NOTICE IS HEREBY GIVEN that, pursuant to the Amended and Restated Trust Agreement of HL&P Capital Trust II (the "Trust") among CenterPoint Energy, Inc. (as successor to Houston Lighting & Power Company) (the "Company"), The Bank of New York Trust Company, N.A. (successor to The Bank of New York), as Property Trustee (the "Trustee"), The Bank of New York (Delaware), as Delaware Trustee, and the Administrative Trustees named therein, dated as of February 4, 1997, the Company has elected to redeem on February 4, 2007 (the "Redemption Date") all of the then outstanding 8.257% Capital Securities, Series B of the Trust (the "Trust Securities") at the redemption price of 104.1285% of the liquidation amount of \$1,000 per Trust Security plus accrued and unpaid distributions on the Trust Securities to the Redemption Date (the "Redemption Price").

On the Redemption Date, the Redemption Price will become due and payable upon each Trust Security to be redeemed, and unless the Trust defaults in making payment of the Redemption Price, distributions on the Trust Securities will cease to accrue on and after the Redemption Date.

Payment of the Redemption Price will be made through the facilities of The Depository Trust Company.

IMPORTANT TAX INFORMATION

Please read this carefully

Under United States federal income tax law a withholding of 28% from reportable payments made to certain holders of Trust Securities may be required unless the holder furnishes a properly completed Form W-9 or otherwise establishes an exemption from backup withholding.

*This CUSIP Number has been assigned to this issue by the CUSIP Service Bureau and is included solely for the convenience of the holders of the Trust Securities. Neither the Company nor the Trustee shall be responsible for the selection or use of this CUSIP Number, nor is any representation made as to its correctness on the Trust Security or as indicated in this notice.

Dated: December 14, 2006

**THE BANK OF NEW YORK
TRUST COMPANY, N.A.,**
Property Trustee