



## CenterPoint Energy Receives PUC Financing Order; Company Moves to Complete Transition Bond Offering By Mid-Year

HOUSTON, March 9, 2005 /PRNewswire-FirstCall via COMTEX/ -- CenterPoint Energy, Inc.'s (NYSE: CNP) electric transmission and distribution subsidiary, CenterPoint Energy Houston Electric, today received a financing order from the Public Utility Commission of Texas (PUC) that will allow the company to issue approximately \$1.8 billion in low-cost transition bonds. These bonds will be used to securitize part of the \$2.301 billion true-up balance, subject to certain adjustments, authorized by the PUC. Depending on market conditions and the impact of possible appeals of the financing order, the company expects to complete a transition bond offering later this year.

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

"Securitization was one of the principal ratepayer benefits of the 1999 Texas electric restructuring law. When the bonds are issued, they should save customers hundreds of millions of dollars," said Scott E. Rozzell, executive vice president and general counsel for CenterPoint Energy. "We look forward to working with the Commission's financial advisor so that the bonds are issued as soon as possible to take advantage of the current low interest rate environment."

The Texas electric restructuring law provides for the PUC to impose a separate charge on retail electric providers, the competition transition charge (CTC), to recover the portion of its adjusted true-up balance that it is not allowed to securitize. CenterPoint Energy filed a CTC application with the PUC in January and hearings in this proceeding are scheduled for April 2005.

CenterPoint Energy maintains the electrical system that delivers power to Houston-area customers, and charges a regulated delivery rate to retail electric providers. This delivery rate represents only a small part of customers' overall electric bill. Depending on whether retail electric providers pass on the full cost to their customers, issuing \$1.8 billion in bonds could add approximately \$2.60 to the PUC benchmark residential monthly electric bill (1,000 kwh/month), which is about 33 percent less than under conventional ratemaking.

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> .

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