



## **CenterPoint Energy Files to Adjust Natural Gas Bills for Houston-area Customers**

### **--Lower wholesale natural gas prices offset proposed change to base rates**

HOUSTON, July 31, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- CenterPoint Energy (NYSE CNP) today made filings with municipal regulatory authorities and the Texas Railroad Commission that will affect the amount that Houston-area customers pay for gas utility service. CenterPoint Energy is reducing the amount billed to customers through the PGA portion of a customer's gas bill beginning in August which will have an annualized reduction of \$96.7 million.

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

Wholesale natural gas prices have decreased nationwide and CenterPoint Energy is passing along lower prices. Through the PGA, an allowed adjustment to the gas supply charge portion of a customer bill, CenterPoint Energy passes on the cost of natural gas with no markup. The PGA typically makes up 60-70 percent of a customer bill.

"We are happy to be able to pass this natural gas price decrease on to customers because the PGA is the largest portion of a customer bill," said Rick Zapalac, division vice president of Gas Operations in Texas. "CenterPoint Energy manages a diversified gas portfolio that balances reliability, reduced price volatility and reasonable price to meet the needs of all our customers. We work with a variety of natural gas suppliers and buy throughout the year on a competitively bid basis."

With this lower PGA, a typical residential customer's bill using 35 Ccf that was \$49.36 in July will be \$43.33 beginning in August, excluding taxes. This represents a 12.2 percent decrease. For typical winter usage of 100 Ccf, a customer's bill will be \$104.29 this winter compared to \$134.64 last winter, excluding taxes, a 22.5 percent decrease.

The company also filed to change the base rates that the company charges customers for natural gas utility service. The proposed annual revenue increase is \$25.4 million. The base rate portion of a customer's natural gas bill, which makes up about 30-40 percent of the total bill, covers the cost of distributing natural gas. The overall average increase for a residential customer using 35 Ccf is \$4.09 per month and represents an 8.3 percent increase in the total residential bill, excluding taxes.

"We are proposing to change the base rate portion of the bill because the cost of distributing natural gas to our customers, such as labor, materials and supplies, and other operating expenses, has continued to increase while usage has declined. The ability to earn a reasonable return on investment is critical to our ability to continue to build our system to support future economic development," he added.

While the lower PGA goes into effect in August, CenterPoint Energy expects the new base rates would go into effect in the first quarter of 2010.

CenterPoint Energy, Inc., headquartered in Houston, Texas, is a domestic energy delivery company that includes electric transmission & distribution, natural gas distribution, competitive natural gas sales and services, interstate pipelines, and field services operations. The company serves more than five million metered customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Oklahoma, and Texas. With about 8,800 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](http://www.CenterPointEnergy.com).

This news release includes forward-looking statements. Actual events and results may differ materially from those projected. The statements in this news release regarding future financial performance and results of operations and other statements that are not historical facts are forward-looking statements. Factors that could affect actual results include the timing and impact of future regulatory and legislative and IRS decisions, effects of competition, weather variations, changes in CenterPoint Energy's or its subsidiaries' business plans, financial market conditions, the timing and extent of changes in commodity prices, particularly natural gas, the impact of unplanned facility outages, and other factors discussed in CenterPoint Energy's and its subsidiaries' Form 10-Ks and their Form 10-Qs for the periods ended December 31, 2008 and March 31, 2009, and other filings with the Securities and Exchange Commission.

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