



## **CenterPoint Energy Subsidiary Closes on Low-Cost Securitization Bonds to Recover Hurricane Ike Restoration Costs**

### **Securitization significantly lowers costs to consumers**

HOUSTON, Nov 25, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- CenterPoint Energy, Inc. (NYSE: CNP) announced today that CenterPoint Energy Restoration Bond Company, LLC closed on the sale of \$664.8 million in storm recovery bonds, also known as securitization bonds, to recover costs CenterPoint Energy Houston Electric, LLC (CenterPoint Energy Houston Electric) incurred in 2008 to restore service following Hurricane Ike. The bond offering recovers \$643 million in distribution restoration costs approved by the Texas Public Utility Commission (PUC), plus carrying charges since September 1, 2009, and certain bond issuance costs.

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

"Issued at very favorable interest rates averaging 3.72 percent (on a time weighted basis), these low-cost storm recovery bonds are expected to save consumers approximately \$417 million over the next 13 years compared to traditional ratemaking carrying costs of 11.075 percent," said Marc Kilbride, vice president and treasurer for CenterPoint Energy. "We appreciate the leadership and support of Governor Perry and members of the Texas Legislature for enacting this new legislation that enabled us to issue these bonds as well as the hard work of Chairman Smitherman, PUC members and staff for getting these bonds to market quickly on such favorable terms."

The principal and interest on the bonds will be recovered through a surcharge added to the electric delivery rate paid by retail electric providers (REPs) to CenterPoint Energy Houston Electric for power delivered to Houston-area customers. The monthly surcharge for a residential consumer using 1,000 kwh will be \$1.76 and will be assessed to REPs for 13 years beginning today. The surcharge is reduced by a credit of \$0.71 related to deferred taxes associated with storm restoration costs. The effect of these two items will result in a net cost of \$1.05 for residential service.

Issuance of these bonds was made possible by Texas legislation enacted in April 2009 that permits use of securitization financing to recover costs following hurricanes and other natural disasters in an effort to lower costs to consumers. The legislation authorizes the PUC to determine the recoverable costs related to service restoration and to issue a financing order authorizing the issuance of the bonds.

This news release does not constitute an offer to sell, or the solicitation of an offer to buy, any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offering would be unlawful.

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. Assets total nearly \$19 billion. With about 8,800 employees, CenterPoint Energy and its predecessor companies have been in business for more than 135 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 outcome of appeals from the true-up proceedings, the timing and impact of future regulatory, 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' Forms 10-K for the fiscal year ended December 31, 2008, CenterPoint Energy's and its subsidiaries' Forms 10-Q for the periods ended March 31, June 30, and September 30, 2009, and other filings with the SEC.

For more information contact:

Media:

Leticia Lowe

Phone 713.207.7702

Investors:

Marianne Paulsen

Phone 713.207.6500

SOURCE CenterPoint Energy, Inc.

<http://www.centerpointenergy.com>

Copyright (C) 2009 PR Newswire. All rights reserved