Steve Fleishman/Wolfe: Okay. We are moving onto last but certainly not least – these are two good friends. Talking Texas part two I have my Texas tie on thanks to one of my friends. And we have got first speaking CenterPoint with Bill Rogers, the EVP and CFO and then InfraREIT with David Campbell, who is the Chief Executive Officer. So let me turn it over to Bill to get us going.

Bill Rogers/CNP: Thank you, Steve and it's good to be closing out your conference this afternoon talking about the best of Texas. So with that I'll provide a quick review of CenterPoint Energy and a little bit of the Texas regulatory framework for both our electric and gas business and then we'll share with you some of the growth factors both in our businesses, our service territory as well as a little bit about our earnings outlook.

I won't read the cautionary statement, but I will pause on the slide and ask that you read through it. And with that this first slide, the map on the left as you are looking at it is our Houston Electric service territory and the map on the right are our four LDCs in the state of Texas. We are very pleased to see that we continue to have strong residential customer growth and even stronger industrial sales growth in the Houston electric market. On a rolling 12-month period we have not had any month that was less than 2.1% meter count growth in Houston. So population continues to move into Houston and take advantage of the business opportunities and the employment opportunities that are there.

The regulatory mechanisms that we use in the electric sector in Texas are TCOS our transportation cost of service – transmission cost of service rather – and DCRF which is the distribution investment we make. We are making about 60% of our $800 million to $900 million of investment in either growth or public improvements which is also related to growth in the Houston Metropolitan area. And the public improvements, if you have had a chance to drive on our interstates and highways you will know what I am talking about. But whenever they make those improvements it requires moving of electric infrastructure. Our growth and our rate-based investment at Houston Electric is driven by growth in population, growth in meter count.

Our gas business is also growing strong. In Texas our meter count is approximately 1.5 million meters in Texas, so just under half of our total meters in the gas business. And our meter count growth has been at 1.6% or greater, again, in each of the last quarterly reporting periods and on a rolling 12-month basis. So that is very good. Across the country as a whole our meter count growth is closer to 1%. Minneapolis, Minnesota would be our second fastest growing service territory, it is over 1%, but in our other four states we only have flat to modest growth.

And the regulatory mechanism that we use with the Railroad Commission in Texas on the gas business is GRIP, which is investments in most of our assets going into rate base and has recovery mechanisms similar to what we use in TCOS on the electric side.

This next chart reflects the meter count growth. I already spoke about it on the gas side. Job growth is at the top. We are creating some jobs in the Houston economy. Essentially what is happening in the last 18 months is we have fewer jobs in the energy sector but the services, transportation sector, medical and construction have offset those so we do have some modest growth. Our unemployment rate in the Houston metropolitan area is currently 5.9% that compares with Texas, which is just over 5% and the nation as a whole which I think is 5.1% on the last metric.

Here are just a few facts about Texas, I believe it to be the fifth page, on the presentation if you're on the webcast. Many don't realize it, but Houston is the fourth largest metropolitan economy in this country. Due to our population growth and due to changes other places we would expect to be the third largest city by the end of this decade. And within the next seven years, Texas is expected to have four of the top 10 largest metropolitan areas in this country. David will talk about some of that, but the Dallas/Ft Worth metroplex, San Antonio, Austin and Houston would be those four cities, so very excited about that. Really excited about the opening of Panama Canal for wider ships earlier this year so that's a picture of that port which is on the upper right-hand side.

We have the busiest port in the country and we can offload those containers and get them on the road in about six hours. So we do about twice as much container traffic as the New York/New Jersey ports or the LA/Long Beach ports. And the reason for that is we put these containers onto trucks and there are 13 cities within a 500 mile drive which is one truckload tank – truck tank of gas, rather, that you can reach. So 13 cities with over a million population that can be reached on one tank of gas in a truck with a container on it, so very busy port.

The airport, which is George Bush Intercontinental, remains very busy. If you have been there lately you will see a lot of signage as we are getting ready for the 2017 Super Bowl to come to Houston.

Next two slides relate to confirmation of our earnings guidance both for 2016 as well as the year on year growth from 2016 to 2017 and 2017 to 2018. We are confirming our guidance at the utility level of 88 cents to 92 cents and then our midstream investment, which is our ownership of Enable of 24 cents to 28 cents. We are also confirming that we are expecting to deliver 4 to 6% growth on a year on year basis in each '17 and '18. And we believe that we can do that under various scenarios related to Enable's earnings even though we are not forecasting Enable's earnings. So these are just scenarios, but if Enable were to have flat or even declining earnings CenterPoint on even a consolidated basis could deliver growth. That -- the reason for that is the growth that we are enjoying and executing against in our utilities.

Everything that's on page 7 has been presented either in prepared remarks in our earnings calls scripts or in other means to investors. We just packaged it up differently for today's slides. So there is no news here, but maybe the look of it is new.

And this is a ground up look at it. Starting with the mid-point of our net income for the utilities of $390 million for this year and then adding for revenue growth both from rate relief as well as increase in volume sales in electric and gas business offset by increased O&M depreciation and property taxes – the next block. Then as we said, our CES business, we now are forecasting it will be $4 million to $10 million stronger relative to what we previously provided for this year on an after-tax basis. We will enjoy savings in interest expense as well as more income from our investment in Enable preferred securities in 2017. Brings us up on a ground up basis to just under 8% growth on what we call the utilities net income. Therefore, back to the scenario analysis on the prior page we feel confident as a management team that we can deliver 4% to 6% earnings growth on a consolidated basis under a variety of scenarios with respect to Enable's forecast.

In summary, we have got a great economy in Texas. We are going through a cyclical downturn in commodity prices which is influencing our overall employment. But due to the structural considerations and backdrop we have it remains a great place to invest in, find an opportunity and build a business allowing the utilities to have strong earnings growth, have dividends that keep pace with that earnings growth and we feel we are currently providing a competitive price earnings multiple although we would certainly welcome a lift up in that if you so chose as investors.

Steve Fleishman/Wolfe: So maybe just to – to kick off in terms of the - not to get down to issues too promptly, but one of the issues that both of you have kind of watch the way this Encore – you -- you have been dealing with more directly is this issue of how Texas is going to treat taxes. And Commissioner Anderson yesterday seemed to kind of have absolutely no idea where the process is exactly going to go from here on that. But just do you have a sense of you know, from your standpoint is there clarity on how they are going to move forward on it? And in your rate case, kind of what are the arguments that you are making to say well you should treat them the way you have before? And Bill, I'd be curious your thoughts on it as well.

Dave Campbell/InfraREIT: Want me to go first?

Steve Fleishman/Wolfe: Yes.

Dave Campbell/InfraREIT: So I did hear Commission Anderson's comments yesterday. I – I think that it's – obviously we've got a – a commission that benefits from a very knowledgeable staff and the Commissioners are very knowledgeable about the market and a couple of them have been serving as Commissioners for many years. So overall I'm sure they will take a thorough and systematic approach to things – they – it was considered as part of the last phase of the Encore acquisition process, but no decisions were made in that process. They initially launched a rule making, but I think that has been put on hold for now. This was described by Commissioner Anderson, it is possible that rule making might advance. From his comments it seemed – you never know for sure what will happen in the legislative session but perhaps less likely than not that something would be advanced there, judging by his comments. But we do expect it will be an issue that is raised in the rate case for Sharyland and SDTS.

So we in the initial rate filing that was submitted in – in April of this year had testimony on that topic. We do think that as a matter of precedent and policy, that it makes sense to continue to grant the income tax allowance. We, as a company, in our utility have been receiving the full income tax allowance for the last – all the years that we have operated as a REIT so six coming up on seven years now. Every utility in Texas, and there are many different ownership and different corporate structures in place for utilities. Every utility in Texas receives the income tax allowance, so I think that proper reading of the law and practice and policy is to keep that same consistent approach rather than picking and choosing among different structures and potentially opening Pandora's box to actual taxes. You look at the taxes that are paid by virtually every investor owned utility in -- Texas today, given the various incentives that are in place, the actual tax rates are quite low for most utilities – for different reasons.

Ultimately, in our structure, taxes are paid by owners. We have a distribution requirement and dividends are taxed at ordinary income rates. So we – we look forward to robust discussion around this case. We think that the consistent approach that has been taken with our company and across all utilities is a logical one to continue with going forward.

Bill Rogers/CNP: Steve, I am certainly not going to add too much to what David has said or for that matter one of our Commissioners, but the Commission has opened the docket and has delayed that study. And I think it's important to recognize that when and if they pick up the study to close that docket it will be discussing not only the Regulatory Commissioner's perspective but what might need to be changed in law in Texas, if anything.

Steve Fleishman/Wolfe: And just on that topic – Commissioner Anderson kind of – and you just mentioned this – kind of implied hey, you know, whoever is trying to get things done in the legislature next year, you know, kind of be wary of opening up Pandora's Box I guess – not exactly what he said, but kind of implies – I – I just wasn't sure if there were things being discussed to be addressed in -- in the legislature in terms of changes in utility regulatory structure.

Bill Rogers/CNP: In the 2015 legislature, the legislature asked the Commission to study alternative rate mechanisms and the Commission engaged Christenson to do that and that report has been filed. And so that will come forward for discussion in 2017. There were no recommendations out of that. It was just a study of what I will call the art of the possible and what other jurisdictions are doing.

Steve Fleishman/Wolfe: Okay. Nothing new. Okay.

David Campbell/InfraREIT: There is always some things related in the electric market but it hasn't been prominent on the discussion agenda . A little early yet for discussion around the legislative agenda.

Steve Fleishman/Wolfe: Okay. In a lot of the panels particularly the ones focused on oil and midstream, we just keep hearing Permian, Permian, Permian. I'm just curious for each of your companies to the degree that we do see just stability in oil or just the Permian even in this environment doing very well. Do you have kind of side opportunities you know, from that?

Bill Rogers/CNP: We don't have any opportunities at CenterPoint. The utilities are directly related to the Permian. Obviously, growth in Texas is good for everybody. And our investment in our midstream segment which is Enable doesn't have opportunities in front of it at this time in the Permian, but becoming increasingly competitive in terms of returns is the scoop and the stack play in the Anadarko.

David Campbell/InfraREIT: So since part of our service territory sits atop the Permian, we follow it closely. It is – in terms of relative performance of basins in the US it has been remarkable to see how resilient it has been when oil prices dropped from $100 to mid $40s. I am not sure where it is today. It may have popped up to high $40s after the OPEC announcement. It matters where that growth happens for us, so it matters where it happens, is it in field drilling, is it driving incremental midstream activity? Is it driving broader economic activity? All of those factors we watch. If you look at total production in the Permian, they have done a remarkable job of being able to keep production flat. It is certainly not growing at the same pace that it did. That could change given the ongoing finds. Some of those are further west than our territory, but overall I think it is – there is a lot of oil in the ground and that has been remarkably resilient given the drop in prices. It is fair to say it is not the same trajectory of growth that we have from '11 to '15, but it is still an area that sees ongoing activity and we – given that is our service territory that will drive distribution and ultimately transmission growth for us also.

Steve Fleishman/Wolfe: Bill, I don't know if maybe – maybe you purposely didn't do a slide on it, but can you give us – I know it doesn't relate to Texas, but maybe you can just give us the latest on where you stand on the Enable review?

Bill Rogers/CNP: Certainly. And I would be remiss if I didn't recognize Peter Kind as one of our Enable directors who is here in the room. Hello, Peter. Peter also chairs the audit committee of Enable.

Quickly, CenterPoint is considering the sale or the spin of its interest in Enable, which is our role as the GP, our IDRs and our LP units. We intended to solicit offers from third parties for those interests as part of the sale. Per our partnership agreement with OG&E, they have the right of first offer. They made that offer. If we elected not to accept their offer after 30 days, then we have limitations on how we can accept an offer from third parties. Essentially, we need to complete that within 120 days after the 30 days as well as the price needs to be at least 105% of what OG&E offered. That 30-day period has lapsed and suffice it to say that given that we have not put out a press release and a form 8-K on a material agreement, there is no material agreement to report at this time.

Steve Fleishman/Wolfe: Okay. And just so we know the -- what was the date of the 30-days, so we can kind of do a little calendar math here?

Bill Rogers/CNP: Let's use September 16th as the 30th day after their offer to us.

Steve Fleishman/Wolfe: Great, something to look forward to. One other thing just going back to – to taxes and I apologize to always ask about taxes, but – there was this – about a month ago there was this discussion that came out of some discussion with staff and parties about kind of a potential thought on tax treatment. It seems it is going to separate transmission from distribution. Could -- I mean could that be a model for you guys in -- in terms of thinking about this because I think -- big part of your company is transmission as much as distribution. How should we think about that as maybe a bit of a model for you?

David Campbell/InfraREIT: I'm guessing that question is addressed to me. Is that right?

Steve Fleishman/Wolfe: Yes.

David Campbell/InfraREIT: So the discussions of the summer were – they involved time so InfraREIT was not a party so it's -- there is nothing directly that will bind anyone or directly involved in any of those discussions. So they were unique to the consideration of a potential Encore transaction.

That proposal – not involved – but I will still be happy to comment on it. That proposal that was discussed with a letter of the Executive Director of the Public Utility Commission to Hunt, as well as a memorandum of understanding of Hunt and the representatives of the Coalition of the City signed -- that proposal related to a potential acquisition of Encore that would split the company into a transmission REIT and a distribution C corp. And as – in Texas there is a tangible benefit standard that the – there is a standard of this that is a merger in the public interest if it involves a consideration of benefits, tangible benefits. So the benefits that were teed up for that hypothetical transaction were from the distribution company, which was a C corp. The tax issue was – it just wasn't relevant. It is a C corp not a REIT. Was paying $50 million a year over two years and $100 million in -- in credits and a potential 20% sharing by the transmission company to the second rate case, so effectively over a five year potentially plus. So that was what would be offered in that hypothetical transaction in those groups, which basically describes the status and more caveats around how they would be receptive to a potential transaction that was teed up.

I don't think that – that certainly doesn't bind any parties or intervene in the rate case. Our filing is -- we should receive the full income tax allowance. Wouldn't be surprised if interveners take a different view. So that is – it's merely a marker for a different transaction. Now it is a different marker than maybe some of the discussions that took place in March that, around the other potential acquisition. But again those weren't directly applicable.

I don't think we should overdraw too many inferences from that, but at least a different marker on that other potential Encore transaction in terms of what might or might not mean. It is separate. It's totally separate.

Steve Fleishman/Wolfe: Question in the back.

Unidentified Participant: (Inaudible)

Bill Rogers/CNP: That means we have 120 days after September 16th to find an offer. We have no obligations to accept that offer nor any obligations to OG&E.

Unidentified Participant: Okay.

Steve Fleishman/Wolfe: And I assume, Bill, you would still be interested in doing something that would preserve kind of having to pay any taxes given the tax position. That is still a key consideration?

Bill Rogers/CNP: Absolutely. This is becoming more of a tax panel.

Steve Fleishman/Wolfe: Sorry.

Bill Rogers/CNP: We have – we have negative basis in our Enable investment as a result of return of capital being greater than taxable income. And we would recognize a taxable gain if we sold. The gain would be significant because our basis is negative. So we need to be thoughtful as to when and how we might recognize that gain over time. It will not go away.

Steve Fleishman/Wolfe: Just maybe high level and then please, anyone else that has questions. Just when you look at the Texas overall market environment it has obviously been very influenced by wind and I don't know if you are both expecting to see more of that. But I am curious kind of how much you are starting to see in terms of solar to that kind of really ramp up over the next few years are prices too low for solar to be really kind of interesting to people. And then also at one point we had the Encore proposal of batteries and the like and that kind of went away pretty quickly, but just do you see that reviving maybe in a different form?

Bill Rogers/CNP: Maybe I'll start and see what you want to add to this. Let's separate solar into utility scale solar where we are farming the sun in West Texas. And I think you will see more solar development opportunities. The developers have not been discouraged from lack of a capacity market so we'll see that. We have got obviously a lot of wind and there are some theories that the wind was very good and that held prices down the end of July. I think we have more to learn on that. So that is utility scale solar. With respect to distributed generation we are thinking about solar in that context we have no policy incentives within Texas to support that. And furthermore if you add solar panels on your home or your place of business you sell it back at the marginal rate and given our prices in Texas most would not find that economic.

Finally, in Houston, our solar incidence rate which is the percentage of the hours of the year you have direct sunlight is very low. It is about 20%. It rains a lot there. It is humid, muggy. And so it's just not a natural solar environment from all those perspectives.

There is still an interest in distributed generation. I think you could, you know, see solar in some communities if they so choose. With that we ought to think about the use of battery technology as storage in those semi urban environments, but currently battery technology is for the generation side of the business not for the T&D side of the business. So that would require work with the legislature to refine and clarify how we might use battery technology.

David Campbell/InfraREIT: So building on those comments – I think that we will see ongoing wind build out. I think that the wind capacity factors across the state were very robust, have been very robust and I think it was your note the other day that said that gas costs $3.00, which you know you see ongoing wind being developed in the ERCOT market and I think that will continue. There is just tremendous wind resource potential and if there is any price recovery I think you will see wind first and we are still seeing wind happening now.

On solar, without the state subsidy, without any state policy regime in favor of distributed solar and residential solar you're not -- you see some activity but it is not on the same scale as some other places. I think the prices just aren't there at the current time. There's not the net metering policies that would support it. Central Station utility scale is not – there is the one merchant – I think there is still just the one merchant contract example. Lumina signed a merchant solar deal. But you have not seen sizable utility scale solar other than by municipals or other entities. They haven't had any significant penetration in the wholesale competitive market yet. I think you are going to need some more price recovery first. But want to understand about the cost curve you could get there. There may be a factor though that impacts if you ever do see meaningful heat rate or gas price recovery I do think the renewables opportunity in Texas is quite sizable and I think you'll see folks moving on it.

Steve Fleishman/Wolfe: Okay. Any other questions from the audience? Well, if not – David, Bill, thank you very much.

Bill Rogers/CNP: Thank you.

CenterPoint Energy, Inc., headquartered in Houston, Texas, is a domestic energy delivery company that includes electric transmission & distribution, natural gas distribution and energy services operations. The company serves more than five million metered customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Oklahoma, and Texas. The company also owns a 55.4 percent limited partner interest in Enable Midstream Partners, a publicly traded master limited partnership it jointly controls with OGE Energy Corp., which owns, operates and develops natural gas and crude oil infrastructure assets. With more than 7,400 employees, CenterPoint Energy and its predecessor companies have been in business for more than 140 years. For more information, visit the website at www.CenterPointEnergy.com.

This news release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based upon assumptions of management which are believed to be reasonable at the time made and are subject to significant risks and uncertainties. Actual events and results may differ materially from those expressed or implied by these forward-looking statements. Any statements in this news release regarding future earnings, and future financial performance and results of operations, including, but not limited to earnings guidance, targeted dividend growth rate and any other statements that are not historical facts are forward-looking statements. Each forward-looking statement contained in this news release speaks only as of the date of this release. Factors that could affect actual results include (1) state and federal legislative and regulatory actions or developments affecting various aspects of CenterPoint Energy's businesses (including the businesses of Enable Midstream Partners (Enable Midstream)), including, among others, energy deregulation or re-regulation, pipeline integrity and safety, health care reform, financial reform, tax legislation, and actions regarding the rates charged by CenterPoint Energy's regulated businesses; (2) state and federal legislative and regulatory actions or developments relating to the environment, including those related to global climate change; (3) recording of non-cash goodwill, long-lived asset or other than temporary impairment charges by or related to Enable Midstream; (4) timely and appropriate rate actions that allow recovery of costs and a reasonable return on investment; (5) the timing and outcome of any audits, disputes or other proceedings related to taxes; (6) problems with construction, implementation of necessary technology or other issues with respect to major capital projects that result in delays or in cost overruns that cannot be recouped in rates; (7) industrial, commercial and residential growth in CenterPoint Energy's service territories and changes in market demand, including the effects of energy efficiency measures and demographic patterns; (8) the timing and extent of changes in commodity prices, particularly natural gas and natural gas liquids, and the effects of geographic and seasonal commodity price differentials, and the impact of commodity changes on producer related activities; (9) weather variations and other natural phenomena, including the impact on operations and capital from severe weather events; (10) any direct or indirect effects on CenterPoint Energy's facilities, operations and financial condition resulting from terrorism, cyber-attacks, data security breaches or other attempts to disrupt its businesses or the businesses of third parties, or other catastrophic events; (11) the impact of unplanned facility outages; (12) timely and appropriate regulatory actions allowing securitization or other recovery of costs associated with any future hurricanes or natural disasters; (13) changes in interest rates or rates of inflation; (14) commercial bank and financial market conditions, CenterPoint Energy's access to capital, the cost of such capital, and the results of its financing and refinancing efforts, including availability of funds in the debt capital markets; (15) actions by credit rating agencies; (16) effectiveness of CenterPoint Energy's risk management activities; (17) inability of various counterparties to meet their obligations; (18) non-payment for services due to financial distress of CenterPoint Energy's and Enable Midstream’s customers; (19) the ability of GenOn Energy, Inc. (formerly known as RRI Energy, Inc.), a wholly owned subsidiary of NRG Energy, Inc., and its subsidiaries to satisfy their obligations to CenterPoint Energy and its subsidiaries; (20) the ability of retail electric providers, and particularly the largest customers of the TDU, to satisfy their obligations to CenterPoint Energy and its subsidiaries; (21) the outcome of litigation; (22) CenterPoint Energy's ability to control costs, invest planned capital, or execute growth projects; (23) the investment performance of pension and postretirement benefit plans; (24) potential business strategies, including restructurings, joint ventures, and acquisitions or dispositions of assets or businesses, for which no assurance can be given that they will be completed or will provide the anticipated benefits to CenterPoint Energy; (25) acquisition and merger activities and successful integration of such activities, involving CenterPoint Energy or its competitors; (26) the ability to recruit, effectively transition and retain management and key employees and maintain good labor relations; (27) future economic conditions in regional and national markets and their effects on sales, prices and costs; (28) the performance of Enable Midstream, the amount of cash distributions CenterPoint Energy receives from Enable Midstream, and the value of its interest in Enable Midstream, and factors that may have a material impact on such performance, cash distributions and value, including certain of the factors specified above and: (A) the integration of the operations of the businesses contributed to Enable Midstream; (B) the achievement of anticipated operational and commercial synergies and expected growth opportunities, and the successful implementation of Enable Midstream’s business plan; (C) competitive conditions in the midstream industry, and actions taken by Enable Midstream’s customers and competitors, including the extent and timing of the entry of additional competition in the markets served by Enable Midstream; (D) the timing and extent of changes in the supply of natural gas and associated commodity prices, particularly natural gas and natural gas liquids, the competitive effects of the available pipeline capacity in the regions served by Enable Midstream, and the effects of geographic and seasonal commodity price differentials, including the effects of these circumstances on re-contracting available capacity on Enable Midstream's interstate pipelines; (E) the demand for crude oil, natural gas, NGLs and transportation and storage services; (F) changes in tax status; (G) access to growth capital; and (H) the availability and prices of raw materials for current and future construction projects; (29) effective tax rate; (30) the effect of changes in and application of accounting standards and pronouncements; (31) other factors discussed in CenterPoint Energy's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, as well as in CenterPoint Energy's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 and June 30, 2016, and other reports CenterPoint Energy or its subsidiaries may file from time to time with the Securities and Exchange Commission.