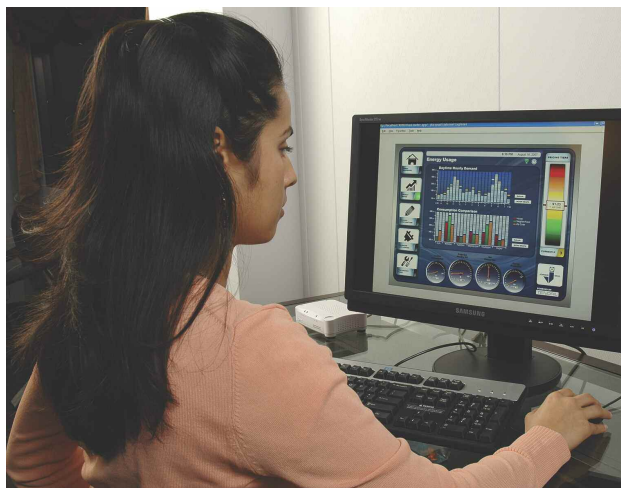




Moving Electricity into the Digital Age

CenterPoint Energy's proposed Advanced Metering System, featuring interactive meters, would give Houston-area electric consumers a powerful new tool to better understand and manage their electric usage. The ability to monitor energy use and cost in near real-time would enable consumers to make more informed energy choices. Using less energy saves money for consumers and means less power would need to be produced – which is good for consumers and great for the environment.



"CenterPoint Energy's new metering technology is the first step in moving the electric grid into the digital age. Interactive meters will encourage greater energy conservation by giving Houston-area electric consumers the ability to better monitor and manage their electric use and its cost in near real-time."

Tom Standish,
Regulated Operations Group President,
CenterPoint Energy

Energy Usage at Your Fingertips

CenterPoint Energy's interactive metering technology is the first step toward moving the electric grid into the digital age. Our interactive meters have two-way communication capabilities and Internet addresses, much like computers, with the capability to send usage data every 15-minutes and on-demand. Here are some of the future benefits that interactive meters can make possible:

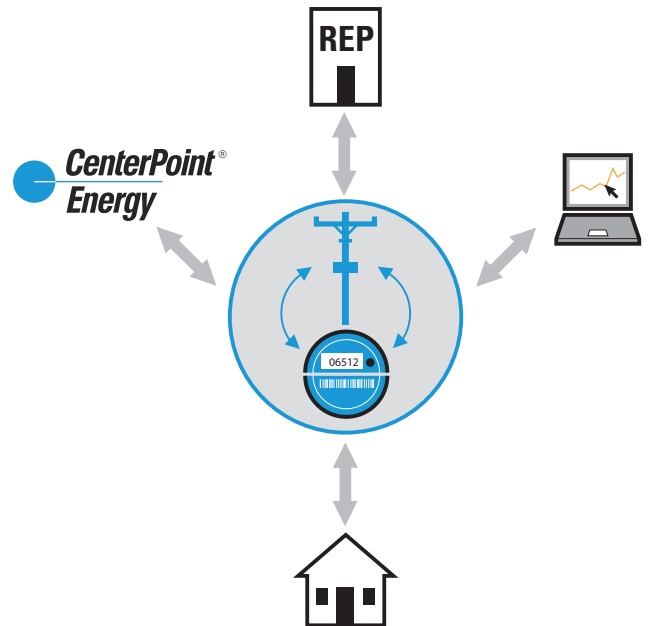
- **Energy Efficiency and Savings** – Consumers could see, in 15-minute increments, the effect of more efficient appliances and how changes in usage can lower energy consumption and reduce the price of monthly bills.
- **Improved Meter Reading** – Interactive meters would greatly reduce the need for estimated bills due to inaccessible meters and could eventually lead to eliminating the need for meter readers to enter consumer premises.

- **Easier Transactions** – When choosing a new retail electric provider or moving to a new home or business, consumers could save time through automated electric service connections and disconnections with interactive meters.
- **Enhanced Response** – Interactive meters would allow us to quickly pinpoint and respond to outages and check meters remotely to make sure the equipment is working properly.
- **“Smart Homes”** – Home automation would soon become easier and less costly to implement. Our new interactive meters would be able to communicate with Home Area Networks to remotely control appliances and thermostats in response to energy demands or market pricing.
- **New Products and Services** – Interactive meters make it possible for retail electric providers to offer new products and services, such as pre-paid service, time-of-use rates that encourage off-peak energy use, and new energy analysis and cost comparison tools.

The Power for a Cleaner Tomorrow

CenterPoint Energy’s interactive meters open new possibilities for energy conservation. The ability to monitor energy use in real time could be a powerful new tool for consumers. With this ability, consumers may begin turning off unneeded appliances, changing to more efficient lighting and adjusting their thermostats. As consumers manage energy more efficiently, less power would have to be produced.

Another important conservation tool, made possible by interactive meters, would be the ability for retail electric providers to offer lower rates for off-peak energy use – and higher rates during peak periods, such as hot summer afternoons. These rate structures should help reduce peak electric demand, which is generally the most costly energy produced as less efficient power generating plants are pressed into service. And, reduced emissions from decreased power generation should translate into better air quality in Houston.



CenterPoint Energy’s interactive meters are at the hub of its proposed Advanced Metering System (circled above). The meters would communicate with consumers, their retail electric provider (REP) and CenterPoint Energy. They would also enable communication with “smart” appliances in homes and businesses.

An Investment for the Future

Upgrading the electric grid to facilitate true, two-way digital communication requires investment in new technologies and infrastructure. CenterPoint Energy’s Advanced Metering System plan envisions recovering these investments through two separate monthly charges. All retail electric providers would be billed a monthly infrastructure charge for eight years based on usage. The infrastructure charge would be about \$1.75 per month for each retail electric providers’ customer, based on usage of 1,000 Kwh. A second charge of about \$4.75 per month would be billed to retail electric providers for each interactive meter the company installs for that retail electric provider’s customers. This charge would continue for five years after the meter is installed.

With this investment for the future, CenterPoint Energy can put a world of possibilities in the hands of two million Houston-area consumers.



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