

0.1

Introduction

Please give a general description and introduction to your organization

CenterPoint Energy, Inc. is a U.S. energy delivery company, headquartered in Houston, Texas, that includes electric transmission and distribution, natural gas distribution, competitive natural gas sales and services, interstate pipelines and field services operations. Through its subsidiaries CenterPoint Energy owns and operates a transmission and distribution electric utility that operates wholly within the state of Texas (CenterPoint Houston), as well as natural gas distribution systems in the states of Arkansas, Louisiana, Minnesota, Mississippi, Oklahoma and Texas. CenterPoint Energy also owns two interstate natural gas pipelines and significant gas gathering assets that play a key role in moving onshore gas to central and eastern U.S. markets. In addition, its competitive natural gas sales and services serve nearly 12,000 customers in the central and eastern U.S.

Given its business and operations, the Company has a limited greenhouse gas (GHG) footprint, with most of its GHG emissions coming from the combustion of natural gas associated with natural gas gathering, processing, and transmission. CenterPoint Energy also has GHG emissions associated with fugitive releases of natural gas from its natural gas operations and SF6 (from CenterPoint Houston's operations), as well as indirect emissions associated with the Company's overall energy consumption.

The Company continues to monitor proposed legislative and/or regulatory programs addressing GHGs and climate change concerns. Legislation to regulate emissions of greenhouse gases has been introduced in the U.S. Congress, and there has been a wide-ranging policy debate, both nationally and internationally, regarding the impact of these gases and possible means for their regulation. Some of the proposals would require industries such as the utility industry to meet stringent new standards that would require substantial reductions in carbon emissions. Those reductions could be costly and difficult to implement. Some proposals would provide for credits to those who reduce emissions below certain levels and would allow those credits to be traded and/or sold to others. In addition, efforts have been made and continue to be made in the international community toward the adoption of international treaties or protocols that would address global climate change issues, such as the United Nations Climate Change Conference in Copenhagen in 2009. Recently, the U.S. Environmental Protection Agency (EPA) also declared that certain greenhouse gases represent an endangerment to human health. EPA is planning further actions to address the regulatory ramifications of this endangerment determination, including recent proposals to adopt GHG emission requirements for certain categories of stationary sources that potentially could affect some Company business units.

While the Company and its operations still are not currently subject to any specific GHG emissions control requirements in the U.S., during the past two years EPA has undertaken new efforts to collect information regarding GHG emissions. In particular, EPA has promulgated federal regulations that for the first time specifically require certain companies (including CenterPoint Energy) to collect GHG emissions information and disclose this data to the EPA. These regulations are applicable to facilities in certain EPA-specified industry sectors – such as local natural gas distribution companies – and facilities that emit 25,000 tons per year or more of carbon dioxide equivalents (CO₂e) from combustion (either alone or in combination with other specified sources). Covered facilities/sources began collecting data regarding their GHG emissions starting in January 2010 and will be required to submit their first annual report to EPA on

or before September 30, 2011. CenterPoint Energy intends to timely comply with these and other emerging federal/state GHG obligations (as applicable) and will seek to remain in compliance with other applicable environmental laws and regulations and to minimize the costs of such compliance.

During 2010, CenterPoint Energy continued to enhance its GHG programs by seeking further opportunities to implement cost-effective operational best management practices that can reduce GHG emissions, participating in innovative voluntary federal agency-led initiatives such as the EPA's Natural Gas STAR and ENERGY STAR programs, and the SF6 Emissions Reduction Partnership for Electric Power Systems.

0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed

Fri 01 Jan 2010 - Fri 31 Dec 2010

0.3

Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response

Select country

United States of America

0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

0.5

Please select if you wish to complete a shorter information request

0.6

Modules

As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire. If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will be marked as default options to your information request. If you want to query your classification, please email respond@cdproject.net.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdproject.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

1.1

Where is the highest level of direct responsibility for climate change within your company?

Senior Manager/Officer

1.1a

Please identify the position of the individual or name of the committee with this responsibility

CenterPoint Energy's President and Chief Executive Officer has charged the Company's Corporate Environmental Officer with the responsibility for assuring that CenterPoint Energy satisfies and complies with applicable environmental requirements, and for evaluating the potential obligations associated with new or proposed requirements such as those that might involve climate change or GHG emissions. The Company's Risk Oversight Committee monitors the activities of the Corporate Environmental Officer and the Corporate Environmental Program generally, including regulatory matters relating to GHG emissions and climate change.

In addition, like other issues climate change issues are addressed in the Company's disclosure documents when they are appropriate under applicable disclosure laws, particularly the heightened disclosures that may be warranted under the Sarbanes Oxley Act of 2002. CenterPoint Energy's corporate Finance and Audit Services Departments are active in reviewing these disclosures and the policies and procedures that are in place to ensure that relevant issues, including disclosures regarding environmental compliance, are adequately identified and addressed for the corporation. As described below in response to question 5.1, the Company's most recent 10-K annual report contained CenterPoint Energy's assessment of the potential effects of GHG and climate change on the Company's financial condition.

1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

No

1.2a

Please complete the table

| Who is entitled to benefit from these incentives? | The type of incentives | Incentivised performance indicator |
|---|------------------------|------------------------------------|
|---|------------------------|------------------------------------|

Further Information

Pursuant to its Environmental Policy, CenterPoint Energy has established a corporate objective of conducting its operations in an environmentally responsible manner. Consistent with this objective, CenterPoint Energy encourages all managers and employees to identify opportunities for improved environmental performance in the Company's operations and activities.

Page: 2. Strategy

2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

2.1a

Please provide further details (see guidance)

CenterPoint Energy and its business units evaluate and consider the potential risks and opportunities from climate change as part of their overall assessment of business risks and opportunities. For example, the potential ramifications of global climate change on the Company's operations and financial condition are periodically assessed and described in CenterPoint Energy's disclosures to investors, such as its annual 10-K filing (see response to question 5.1 below). In addition, CenterPoint Energy's Management Risk Oversight Committee periodically receives and considers information about the current and forecasted environmental legislative and regulatory landscape, including global climate change matters, and the potential consequences of particular legislative/regulatory proposals for the Company's business units and operations. Furthermore, the Company has formed a corporate team to specifically evaluate and address the potential GHG regulatory obligations and associated issues (as noted below) and relies on the expertise of its Company-wide Environmental Council to identify and address emerging environmental issues such as global climate change.

2.2

Is climate change integrated into your business strategy?

Yes

2.2a

Please describe the process and outcomes (see guidance)

See response to question 2.1a.

2.2b

Please explain why not

2.3

Do you engage with policy makers to encourage further action on mitigation and/or adaptation?

Yes

2.3a

Please explain (i) the engagement process and (ii) actions you are advocating

CenterPoint Energy and its business units frequently work in conjunction with key industry trade groups such as AGA, INGAA and EEI on a variety of energy and environmental policy matters, some of which may involve certain aspects of climate change and/or GHG emissions. Additionally, Company personnel participate directly in various state and regional stakeholder groups that are engaged in various aspects of GHG policy formulation.

3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

No

3.1a

Please provide details of your absolute target

| ID | Scope | % of emissions in scope | % reduction from base year | Base year | Base year emissions (metric tonnes CO2e) | Target year | Comment |
|----|-------|-------------------------|----------------------------|-----------|--|-------------|---------|
|----|-------|-------------------------|----------------------------|-----------|--|-------------|---------|

3.1b

Please provide details of your intensity target

| ID | Scope | % of emissions in scope | % reduction from base year | Metric | Base year | Base year emissions (metric tonnes CO2e) | Target year | Comment |
|----|-------|-------------------------|----------------------------|--------|-----------|--|-------------|---------|
|----|-------|-------------------------|----------------------------|--------|-----------|--|-------------|---------|

3.1c

Please also indicate what change in absolute emissions this intensity target reflects

| ID | Direction of change anticipated in absolute Scope 1+2 emissions at target completion? | % change anticipated in absolute Scope 1+2 emissions | Direction of change anticipated in absolute Scope 3 emissions at target completion? | % change anticipated in absolute Scope 3 emissions | Comments |
|----|---|--|---|--|----------|
|----|---|--|---|--|----------|

3.1d

Please provide details on your progress against this target made in the reporting year

| ID | % complete (time) | % complete (emissions) | Comment |
|----|-------------------|------------------------|---------|
|----|-------------------|------------------------|---------|

3.1e

Please explain (i) why not; and (ii) forecast how your emissions will change over the next five years

As described above, CenterPoint Energy completed an initial corporate-wide baseline GHG emission inventory for 2006 emissions. This initial inventory comprehensively assessed the GHG emissions from all of the Company's business units and operational activities. At the present time, CenterPoint Energy does not have a program for estimating its future emissions due to its limited GHG footprint and the lack of specific regulatory standards and requirements.

CenterPoint Energy also is collecting current GHG emissions data for the specific Company and/or business unit operations/activities that are subject to the EPA's new GHG reporting regulations, and will be submitting the required data to EPA at the appropriate time. In addition, as described below, the Company and/or its individual business units are engaged in numerous initiatives and programs that may lead to the reduction or avoidance of future GHG emissions and/or improvements in energy efficiency.

While CenterPoint Energy continues to grow, the company has achieved a net reduction in electricity usage by offsetting this growth with the implementation of a comprehensive energy management program at our key facilities. CenterPoint Energy expects to be able to continue this trend over the next 5 years.

CenterPoint Energy has been implementing cost effective operational best management practices that have resulted in avoided GHG emissions for a number of years. As noted above, several of its business units also participate in the U.S. EPA's Natural Gas STAR and ENERGY STAR programs. Through these programs, the company engages in certain methane reduction actions and electrical efficiency improvement initiatives.

In addition, as part of CenterPoint Energy's commitment to environmental stewardship and responsible operations, it is taking the following steps regarding global climate change:

- Performing the necessary GHG emissions data collection to satisfy the applicable requirements under EPA's new GHG reporting regulations;
- Continuing to review and refine its initial corporate-wide GHG emission inventory that uses 2006 as the baseline year for calculating CO2e emissions;
- Supporting continued research on potential measurement, tracking and reporting strategies of greenhouse gases associated with its current operations;
- As part of the EPA SF6 Emission Reduction Partnership for Electric Power Systems, taking steps to further reduce emissions of SF6 from Company-owned assets and activities;
- Working with industry groups such as the AGA, INGAA and EEI to develop responsible policies and laws to ensure environmental protection, as well as affordable and reliable energy needed to drive the world economy;
- Implementing AMS technology across CenterPoint Houston Electric's service territory to encourage greater energy conservation by electric consumers;
- Implementing an innovative "Intelligent Grid" program for CenterPoint Houston's electric distribution system, which would result in fewer and shorter outages, better customer service, improved operations costs, and improved security;
- Providing financial and technological incentives for consumers to implement energy efficiency measures;
- Assisting industry leaders with energy-saving transportation initiatives involving plug-in electric vehicles, electric forklifts and pony motors; and
- Continuing the Company's efforts to improve operational and energy efficiencies at its own facilities and those of its business units.

As these efforts illustrate, CenterPoint Energy is seeking to responsibly address GHG emissions issues while recognizing the lack of currently applicable GHG mandates for its operations and activities in the United States, and the limited nature of the Company's overall GHG footprint.

3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

3.2a

Please provide details (see guidance)

CenterPoint Energy does not estimate the GHG emissions potentially avoided through its use of particular goods or services. However, CenterPoint Energy is engaged in numerous programs and initiatives that are intended to encourage energy conservation and improved efficiencies in the delivery and use of both natural gas and electricity.

In order to further enhance the energy-efficiency of its services – and thereby help to address climate change/GHG emission concerns – CenterPoint Houston's business unit has begun the deployment of an AMS system across its service territory that will be completed in 2012. This new metering technology is another step in moving the electric grid to the digital age and should help encourage greater energy conservation by giving electric consumers the ability to better monitor and manage their electric use in near real time.

CenterPoint Energy also has adopted several efforts to further enhance the efficiency and productivity of its energy delivery services. The Company participates in industry research and development activities that improve operating efficiencies of combustion units that may lead to the reduction or avoidance of future GHG emissions. Consistent with these efforts, CenterPoint Energy and its business units are active participants in numerous national and regional initiatives which promote energy efficiency, such as EPA's Natural Gas STAR program.

CenterPoint Energy additionally recognizes that the Company's GHG emissions encompass not only the emissions from its natural gas operations, but also the indirect emissions associated with the operation of its corporate office tower in Houston and other major facilities. CenterPoint Energy seeks to address these indirect emissions at least partially through improved energy efficiency. Since 2002, the Company has reduced the electricity consumption of its Houston-area facilities by about 30%.

CenterPoint Energy further is actively and progressively reducing its SF6 emissions. Since 1999, the Company has, as a partner in the EPA SF6 Emission Reduction Partnership for Electric Power Systems, implemented a comprehensive maintenance program for its electric power system so that SF6 leaks are identified and repaired in a timely manner. CenterPoint Energy has been aggressively repairing and controlling leaks as well as selectively replacing and upgrading some of its double-pressure breakers, and has provided improved employee training on proper SF6 handling procedures. These efforts have collectively enabled CenterPoint Energy to reduce its annual SF6 losses by more than 88% since 1999, and resulted in a low SF6 net emissions rate during 2009 of only 0.9%.

Finally, beyond the foregoing, CenterPoint Energy recognizes that various other strategies may be available to address potential future GHG emission reduction needs. A range of activities such as conservation, energy efficiency, and process changes all represent possible means for reducing such emissions. For example, as a major transporter of clean-burning natural gas, CenterPoint Energy notes that it is particularly well-positioned to contribute to

efforts by others to address GHG emissions through fuel switching. Recent AGA studies indicate that as residential and commercial customers switch from electricity to natural gas, these changes can provide a net decrease in overall energy consumption and GHG emissions, as well as significant energy cost-savings. The Company will continue to monitor and evaluate its current strategies and consider possible future objectives and targets as deemed appropriate. See also the responses below to questions 5.1 and 6.1.

3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

3.3a

Please provide details in the table below

| Activity type | Description of activity | Annual monetary savings (unit currency) | Investment required (unit currency) | Payback period |
|---------------|--------------------------------|---|-------------------------------------|----------------|
| Other | See response to question 3.1e. | | | |

3.3b

What methods do you use to drive investment in emissions reduction activities?

| Method | Comment |
|--------|--------------------------------|
| Other | See response to question 3.1e. |

3.3c

If you do not have any emissions reduction initiatives, please explain why not

4.1

Have you published information about your company's response to climate change and GHG emissions performance for this reporting year in other places than in your CDP response? If so, please attach the publication(s)

| Publication | Page/Section Reference | Identify the attachment |
|------------------------------|------------------------|--|
| In annual reports (complete) | Pages 20-21, 35 | CenterPoint Energy's most recent 10-K annual report for calendar year 2010 |

Attachments

[https://www.cdproject.net/Sites/2011/03/3003/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/4.Communication/CNP 2010 Form 10-K - Annual Report.pdf](https://www.cdproject.net/Sites/2011/03/3003/Investor%20CDP%202011/Shared%20Documents/Attachments/InvestorCDP2011/4.Communication/CNP%202010%20Form%2010-K%20Annual%20Report.pdf)

Module: Risks and Opportunities [Investor]

Page: 5. Climate Change Risks

5.1

Have you identified any climate change risks (current or future) that have potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Risks driven by changes in regulation
- Risks driven by changes in physical climate parameters
- Risks driven by changes in other climate-related developments

5.1a

Please describe your risks driven by changes in regulation

| ID | Risk driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact |
|----|-------------|-------------|------------------|-----------|------------------|------------|---------------------|
| | | | | | | | |

5.1b

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

Regulatory risks. Due to the scope of its business operations and the current regulatory situation in the U.S., CenterPoint Energy recognizes that climate change may present both potential opportunities and some degree of future commercial risk for its business and operations. Although it is impossible to foresee the long-term implications of climate change for any business, potential risks could come in the form of the costs to comply with any applicable future GHG policy mandates that might be implemented in the U.S. (e.g., the cost of making reductions and/or purchasing emission credits or offsets under an emissions cap-and-trade policy approach or the cost of a tax on greenhouse gas emissions under a tax policy approach). To the extent that mandatory GHG emission reduction policies are enacted in the U.S., CenterPoint Energy potentially would need to implement programs and/or modify operations to conform to such policies and incur the costs associated with such actions.

CenterPoint Energy does not currently have operations that are directly subject to mandatory GHG emissions reduction requirements. Legislation to regulate emissions of GHGs has been introduced in the U.S. Congress, and there has been a wide-ranging policy debate, both nationally and internationally, regarding the impact of these gases and possible means for their regulation. Some of the proposals would require industries such as the utility industry to meet stringent new standards that would require substantial reductions in carbon emissions. In addition, efforts have been made and continue to be made in the international community toward the adoption of international treaties or protocols that would address global climate change issues, such as the United Nations Climate Change Conference in Copenhagen in 2009. The EPA also determined in late 2009 that certain GHGs represent an endangerment to human health and proposed to expand its regulations relating to these emissions, and EPA has promulgated final regulations that require the collection and submission of GHG data to EPA by certain targeted industry sectors and GHG emission sources (including certain Company operations).

As noted above, CenterPoint Energy is monitoring the various GHG policy proposals in the U.S. and will be prepared to respond to future GHG regulatory mandates as deemed appropriate. The degree of risk associated with any such future mandates may be influenced by:

- The specific obligations that would be imposed on CenterPoint Energy and its operations through any GHG emission reduction requirements that are implemented in jurisdictions in which CenterPoint Energy operates;
- The manner in which the costs associated with potential future GHG reduction requirements are addressed by regulators, or commercial markets; and
- The impact that any future GHG requirements may have on energy prices and consumption and upon the U.S. economy as a whole.

Future governmental approaches to electric power and natural gas rate-making, in particular, may present some degree of potential regulatory risk for CenterPoint Energy. Changes in the supply and/or demand for CenterPoint Energy's electric and natural gas services due to GHG policies and programs may have varying economic consequences for the Company depending upon the future rate-making decisions of the relevant U.S. and state regulatory agencies. In particular, should electric and natural gas rate decoupling mechanisms become the norm within the U.S., the Company believes that there would be a need for regulatory bodies to provide appropriate regulatory oversight and work collaboratively with affected companies such as CenterPoint Energy to develop prudent rates that include GHG cost recovery.

At the corporate level, CenterPoint Energy is implementing several measures to assist the Company with identifying and managing potential GHG risks and other environmental regulatory matters. The Company has formed a corporate team to specifically evaluate and address the potential GHG regulatory obligations and associated issues that may affect Company's business units and operations. In addition, CenterPoint Energy has a well-established Company-wide Environmental Council that is vested with the responsibility of examining emerging environmental issues and identifying possible solutions from a regulatory and/or technical perspective. As part of these responsibilities, the Environmental Council members regularly monitor new and proposed regulatory developments – including those involving GHG emissions – and provide environmental technical assistance to affected business units when planning appropriate actions to address such matters.

In recognition of the importance of potential future GHG emissions policies from a programmatic, financial and market perspective, as a pro-active measure over the past few years CenterPoint Energy completed an initial corporate-wide baseline inventory of its 2006 GHG emissions and has commenced efforts to satisfy the new EPA GHG reporting requirements. The existing GHG inventory process indicates that CenterPoint Energy's GHG emissions consist primarily of emissions from direct sources such as methane (CH4) losses from equipment leaks and burning natural gas to drive pipeline compressors, and indirect emissions from purchased electricity. CenterPoint Energy's 2006 baseline inventory process involved hundreds of hours of effort to collect, compile and process the available data to quantify the GHG emission sources at the corporate- and business unit-level, and over the past year CenterPoint Energy has continued to refine its GHG emissions estimates as part of a programmatic continual improvement process. The Company intends to use this existing inventory as a preliminary assessment and planning tool as it seeks to comply with the EPA's new GHG reporting regulations.

In addition, the Company will be closely monitoring the ongoing federal and state developments involving possible climate change legislation that could result in GHG regulatory mandates that may be applicable to its operations. Policy decisions regarding these proposals may indirectly impact demand/supply balance of electricity and natural gas across the country and subsequently increase costs to consumers.

5.1c

Please describe your risks that are driven by change in physical climate parameters

| ID | Risk driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact |
|----|-------------|-------------|------------------|-----------|------------------|------------|---------------------|
| | | | | | | | |

5.1d

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

Physical risks. CenterPoint Energy's operations are affected by physical risks such as severe weather conditions to varying degrees. For example, the Company owns assets in the Gulf Coast region where hurricanes and coastal flooding are known risks. To address these risks, CenterPoint Energy has already adopted a comprehensive emergency preparedness and response plan and continues to assess the ongoing effectiveness of this plan. This plan was effectively implemented during 2008 in the Galveston/Houston area in response to Hurricane Ike. To the extent that changing weather conditions are observed CenterPoint Energy would take appropriate steps to modify or enhance this plan.

Unlike certain of CenterPoint Energy's other assets, the Company's pipeline transmission facilities are located significantly inland and thus enable those facilities to provide gas transportation service that is not as vulnerable to the type of hurricane damage that suppliers along the Gulf Coast have experienced in recent years. CenterPoint Energy has undertaken several projects recently that will provide reliable, competitive and flexible transportation of MidContinent natural gas supplies to meet the Midwest, Southeast, and Northeast areas' growing demands for natural gas to power generation and local distribution needs. These projects provide economic growth opportunities in the areas that they cross and serve as well as for CenterPoint Energy.

5.1e

Please describe your risks that are driven by changes in other climate-related developments

| ID | Risk driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact |
|----|-------------|-------------|------------------|-----------|------------------|------------|---------------------|
| | | | | | | | |

5.1f

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; (iii) the costs associated with these actions

Other risks. Changes in consumer attitude or demand for fossil-fueled energy versus alternative, renewable forms of energy are not anticipated to significantly affect CenterPoint Energy's electric transmission and distribution operations. Changes in such demand may, however, lead to potential effects on the wholesale energy resource mix (which is a reflection of the electric generation market, not the transmission and distribution utility) that may be delivered by CenterPoint Energy to its customers.

At the same time, CenterPoint Energy acknowledges that consumer preferences for alternate fuel sources and/or emissions reductions could affect the overall demand for fossil fuel and/or fossil fuel-generated energy sources. Such changes could potentially alter the demand for the Company's natural gas-related services and, without proper rate design, the Company could be affected. Even so, CenterPoint Energy believes that natural gas, as one of the cleanest-burning fossil fuels, likely will remain a preferred commodity and should be less susceptible to changes in consumer preferences than other fossil fuels.

Consistent with the scope and degree of its potential GHG footprint, CenterPoint Energy has made certain disclosures in its financial reporting with respect to the potential effects of climate change on the Company. For example, in its annual 10-K report for the period ending December 31, 2010, the Company reported the following:

In recent years, there has been increasing public debate regarding the potential impact on global climate change by various "greenhouse gases" (GHGs) such as carbon dioxide, a byproduct of burning fossil fuels, and methane, the principal component of the natural gas that we transport and deliver to customers. Legislation to regulate emissions of GHGs has been introduced in Congress, and there has been a wide-ranging policy debate, both nationally and internationally, regarding the impact of these gases and possible means for their regulation. Some of the proposals would require

industrial sources to meet stringent new standards that would require substantial reductions in carbon emissions. These regulations could be costly and difficult to implement. In addition, efforts have been made and continue to be made in the international community toward the adoption of international treaties or protocols that would address global climate change issues, such as the United Nations Climate Change Conference in Copenhagen in 2009. Also, the U.S. Environmental Protection Agency (EPA) has undertaken new efforts to collect information regarding GHG emissions and their effects. Following a finding by the EPA that certain GHGs represent an endangerment to human health, the EPA proposed to expand its regulations relating to those emissions and has adopted rules imposing permitting and reporting obligations that we expect to be applicable to certain aspects of our operations. Specifically, the EPA adopted a final rule to address permitting of methane and other GHG emissions from stationary sources under the Clean Air Act's Prevention of Significant Deterioration and Title V programs. Additionally, the EPA has issued the "Mandatory Reporting of Greenhouse Gases Rule," which establishes a new comprehensive scheme for reporting GHG emissions. In late 2010, the EPA finalized new GHG reporting requirements for upstream petroleum and natural gas systems, which will be added to EPA's GHG Reporting Rule, and will require facilities containing petroleum and natural gas systems that emit 25,000 metric tons or more of CO₂ equivalent per year to report annual GHG emissions, with the first report due on March 31, 2012. These permitting and reporting requirements could lead to further regulation of GHGs by the EPA.

It is too early to determine whether, or in what form, further regulatory action regarding GHG emissions will be adopted or what specific impacts a new regulatory action might have on us and our subsidiaries. Although it now appears unlikely that new legislation regarding GHGs will be adopted in the near term, action by the EPA to impose new regulations and standards regarding GHG emissions is underway and appears likely to result in new standards and regulatory requirements. As a distributor and transporter of natural gas and consumer of natural gas in its pipeline and gathering businesses, CERC's revenues, operating costs and capital requirements could be adversely affected as a result of any regulatory action that would require installation of new control technologies or a modification of its operations or would have the effect of reducing the consumption of natural gas. Our electric transmission and distribution business, in contrast to some electric utilities, does not generate electricity and thus is not directly exposed to the risk of high capital costs and regulatory uncertainties that face electric utilities that burn fossil fuels to generate electricity. Nevertheless, CenterPoint Houston's revenues could be adversely affected to the extent any resulting regulatory action has the effect of reducing consumption of electricity by ultimate consumers within its service territory. Likewise, incentives to conserve energy or use energy sources other than natural gas could result in a decrease in demand for our services. Conversely, regulatory actions that effectively promote the consumption of natural gas because of its lower emissions characteristics, would be expected to beneficially affect CERC and its natural gas-related businesses. At this point in time, however, it would be speculative to try to quantify the magnitude of the impacts from possible new regulatory actions related to GHG emissions, either positive or negative, on our businesses.

To the extent climate changes occur, our businesses may be adversely impacted, though we believe any such impacts are likely to occur very gradually and hence would be difficult to quantify with specificity. To the extent global climate change results in warmer temperatures in our service territories, financial results from our natural gas distribution businesses could be adversely affected through lower gas sales, and our gas transmission and field services businesses could experience lower revenues. On the other hand, warmer temperatures in our electric service territory may increase our revenues from transmission and distribution through increased demand for electricity for cooling. Another possible climate change is more frequent and more severe weather events, such as hurricanes or tornadoes. Since many of our facilities are located along or near the Gulf Coast, increased or more severe hurricanes or tornadoes can increase our costs to repair damaged facilities and restore service to our customers. When we cannot deliver electricity or natural gas to customers or our customers cannot receive our services, our financial results can be impacted by lost revenues, and we generally must seek approval from regulators to recover restoration costs. To the extent we are unable to recover those costs, or if higher rates resulting from our recovery of such costs result in reduced demand for our services, our future financial results may be adversely impacted.

Please explain why you do not consider your company to be exposed to risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

5.1h

Please explain why you do not consider your company to be exposed to risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

5.1i

Please explain why you do not consider your company to be exposed to risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Page: 6. Climate Change Opportunities

6.1

Have you identified any climate change opportunities (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation

Opportunities driven by changes in physical climate parameters

Opportunities driven by changes in other climate-related developments

6.1a

Please describe your opportunities that are driven by changes in regulation

| ID | Opportunity driver | Description | Potential impact | Timeframe | Direct/Indirect | Likelihood | Magnitude of impact |
|----|--------------------|-------------|------------------|-----------|-----------------|------------|---------------------|
| | | | | | | | |

6.1b

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

Changes in regulation. The enactment of GHG emission reduction or climate change related policies and mandates at the federal level within the United States, or by state or local governments within those regions in which CenterPoint Energy does business, could present potential opportunities based on any resulting increases in energy demand and commodity prices. For example, since natural gas is the fossil fuel with the lowest carbon intensity, climate change and GHG policies could result in increased natural gas demand. Consequently, these policies may lead to greater demand for the company's natural gas gathering and processing, transmission and storage, and distribution services which could lead to potential financial benefits for the company. CenterPoint Energy is positioned to respond to these opportunities and will continue to provide its customers with reliable and accessible energy in an environmentally responsible manner.

6.1c

Please describe the opportunities that are driven by changes in physical climate parameters

| ID | Opportunity driver | Description | Potential impact | Timeframe | Direct/Indirect | Likelihood | Magnitude of impact |
|----|--------------------|-------------|------------------|-----------|-----------------|------------|---------------------|
| | | | | | | | |

6.1d

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

Physical opportunities. Potential changes in weather patterns and temperatures, and other changes in the physical environment resulting from global climate change, could present possible opportunities to CenterPoint Energy primarily in the form of increased demand for the Company's services. Consistent with traditional market forces, the profitability of the Company's operations in the energy sector will vary with changes in energy prices and consumption; increasing energy demand and load in general may result in increased profitability, subject to the applicable rate and regulatory considerations that are imposed on these

operations. See also discussion above in response to question 5.1.

6.1e

Please describe the opportunities that are driven by changes in other climate-related developments

| ID | Opportunity driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact |
|----|--------------------|-------------|------------------|-----------|------------------|------------|---------------------|
| | | | | | | | |

6.1f

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

Other opportunities. As a natural gas and energy services company, CenterPoint Energy believes that climate change presents significant opportunities for its overall business, particularly in light of the important role that natural gas plays as a transitional fuel toward a low-carbon future. CenterPoint Energy anticipates that natural gas demand will continue to increase in coming years due to GHG concerns, since natural gas is the cleanest-burning fossil fuel and likely will be viewed as a beneficial fuel for new power generation facilities and end-use applications by consumers (such as space and water heaters). According to statistics developed by the American Gas Foundation and the American Gas Association, the “[i]ncreased use of natural gas in residential and commercial applications can increase the productivity of available energy supplies, reduce overall energy cost, and reduce related CO2 emissions.” For example, the AGA has reported that when measured on a full-fuel-cycle basis, a typical natural gas-fueled home requires about one-quarter less total energy than is required for a comparable all-electric home. In addition, according to AGA figures an average natural gas water heater produces only 1.5 metric tons of CO2 per year, in contrast to the 3.1 metric tons of CO2 per year produced by an average electric water heater, a reduction of more than 50%.

CenterPoint Energy is engaged in a number of programs and initiatives that seek to take advantage of the financial opportunities presented by climate change. These programs include initiatives such as the “ENERGY STAR” program sponsored by the U.S. EPA; for example, EPA certified CenterPoint Energy’s corporate headquarters building in Houston, Texas as achieving superior energy efficiency under this ENERGY STAR program each year since 2007, thereby directly contributing toward reductions in GHG emissions through energy efficiency savings. The Houston headquarters building – known as CNP-Tower – also recently received a “silver” certification in green building design under the Leadership in Energy and Environmental Design – Existing Building (LEED-EB) program of the U.S. Green Building Council. To achieve this certification the Company implemented a number of key physical building improvements and process changes that included:

- Installing high efficiency air filters in HVAC system;
- Installing low-flush valves and water restrictors on faucets to reduce the amount of water used;
- Working with landscape vendors to ensure all landscape waste is being recycled;
- Implementing a recycling program to reduce the amount of waste that is discarded into landfills including aluminum, plastics and paper;
- Changing chemicals used by the janitorial service company to “non-toxic green products”;
- Enhancing the Preventative Maintenance reporting program for the building engineers; and
- Employing an environmentally friendly, non-toxic pest management program.

CenterPoint Houston is also pursuing deployment of the first phase of an electric distribution grid automation strategy that involves the implementation of an “Intelligent Grid” program funded in part by \$50 million in additional DOE grant monies. This Intelligent Grid program, when fully implemented, is designed to improve operational efficiency and power reliability throughout the greater Houston area by making use of CenterPoint Houston's facilities to provide on-demand data and information about the status of facilities on its system. CenterPoint Houston believes it has the potential to provide a significant improvement in grid planning, operations, maintenance and customer service for the CenterPoint Houston distribution system. These improvements are expected to contribute to fewer and shorter outages, better customer service, improved operations costs, improved security and more effective use of our workforce. In addition, EPA has commended CenterPoint Energy for its long-standing commitment to a number of key energy efficiency projects involving residential new home construction in the Houston, Texas region, including:

- Sponsoring the Houston area's ENERGY STAR Homes Program since 2000;
- Continually expanding the ENERGY STAR Homes Program throughout the Company's service territory;
- Incentivizing the construction of more than 86,750 ENERGY STAR qualified homes to date, more than 9,570 of which were built in 2010;
- Achieving 12 MW and 25,640 MWh of energy savings, exceeding its goal by 38 percent; and
- Developing a successful program strategy that includes customized sales training, builder outreach, and marketing to prospective home buyers through a high-visibility advertising campaign.

As a result of these and similar efforts, CenterPoint Energy's ENERGY STAR New Home Energy Efficiency program has received EPA's national ENERGY STAR award each of the last seven years. CenterPoint Houston has administered more than 259 different energy efficiency programs and research and development projects over the past 10 years. These programs, including the ENERGY STAR New Home Energy Efficiency program, have been geared at all market segments – commercial, residential and low-income – and have saved a substantial amount of demand and energy over time. Some of the more recent programs administered by CenterPoint Houston include targeted outreach to schools and cities, as well as working through community action agencies to target low-income customers in need of home efficiency improvements. To date, CenterPoint Houston's energy efficiency programs have reduced electrical consumption and demand by over 500 MW and 1,000,000 MWH. These savings are equivalent to the following values derived from the EPA website:

- Removing 142,000 passenger vehicles from the road; or
- Powering 88,000 homes; or
- Planting of 155,000 acres of pine forests; or
- Reducing the use of 81,000,000 million gallons of gasoline.

CenterPoint Energy's natural gas operations have similarly engaged in significant energy efficiency programs for almost 20 years which help its residential, commercial, and industrial customers conserve natural gas in their homes and businesses. In 2010, CenterPoint Energy's Minnesota gas operations provided energy efficiency programs that resulted in over 1,300,000 Dekatherms (or MMBTU's) of energy savings for its natural gas customers. Programs include rebates for high-efficiency furnaces and water heaters, free low-flow showerheads, low-cost energy audits, and more. In fact, since the Minnesota Conservation Improvement Program was introduced in 1992, CenterPoint Energy has assisted customers in conservation efforts that saved approximately 12 billion cubic feet of natural gas, enough energy to supply 133,000 households for one year and adding up to \$78 million in energy cost savings. These programs have also benefited the environment by reducing our customers' total carbon footprint by 641,000 metric tons or enough to remove 92,000 cars from the roadway for one year. Similar energy efficiency programs were implemented during 2010 in Arkansas, Louisiana and Mississippi.

6.1g

Please explain why you do not consider your company to be exposed to opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

6.1h

Please explain why you do not consider your company to be exposed to opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

6.1i

Please explain why you do not consider your company to be exposed to opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

In another significant new energy efficiency program initiative, CenterPoint Houston began installation of an advanced metering system (AMS) across its service territory in March 2009, which will now be completed in 2012 as a result of a significant U.S. Department of Energy (DOE) grant of \$150 million. This innovative technology should 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. CenterPoint Houston projects capital expenditures of approximately \$640 million for the installation of the advanced meters and corresponding communication and data management systems. The \$150 million DOE grant agreement will enable CenterPoint Energy to complete the rollout of more than 2 million advanced meters across its service territory in 2012, rather than 2014 as initially planned.

CenterPoint Energy's natural gas operations have also been engaged in additional energy efficiency programs such as the Natural Gas STAR program under which its Minnesota business unit developed and reported on a number of Best Management Practices for regulated gas companies and its other natural gas companies are engaged in similar energy-saving efforts. In addition, the Company's Minnesota area facilities have completed recent remodeling and HVAC equipment replacement activities that are specifically designed to further reduce the electricity consumption by these facilities. Moreover, CenterPoint Energy promotes energy efficiency tips through proactive work with customers, community outreach programs and the local media throughout its natural gas operations service territory.

CenterPoint Energy additionally is taking pro-active steps to reduce its SF6 emissions as a partner in the EPA SF6 Emission Reduction Partnership for Electric Power Systems. Since 1999, the Company has implemented a comprehensive maintenance program for its electric power system so that SF6 leaks are identified and repaired in a timely manner. CenterPoint Energy has been aggressively repairing and controlling leaks as well as selectively replacing and upgrading some of its double-pressure breakers, and has provided improved employee training on proper SF6 handling procedures. These efforts have collectively enabled CenterPoint Energy to reduce its annual SF6 losses by more than 88%, and resulted in a low SF6 net emissions rate during 2009 of only 0.9%.

In addition to the foregoing, CenterPoint Energy is implementing a "Clean Air Technology" program under which several of the Company's business units are in the process of converting certain elements of their vehicle transportation fleets from gasoline- or diesel-powered vehicles to alternative fueled vehicles; electric hybrids, plug-in hybrids, dedicated, and/or flex fuel. We are developing an alternative fuel vehicle plan that will be a complement of sources, defined by application, availability and capital investment. CenterPoint Energy similarly is working with various institutional and industry partners – including the Edison Electric Institute (EEI), Electric Power Research Institute (EPRI), and Electric Drive Transportation Association (EDTA) – to provide incentives for other municipal, commercial and/or industrial organizations to implement similar vehicle conversions. For example, CenterPoint Energy has an electric forklift

program which utilizes Texas Emissions Reduction Plan (TERP) grant funds to offset the incremental cost of an electric forklift over a comparable diesel forklift. Over the last 5 years, end-users have purchased 1,600 forklifts, resulting in 1,200 pounds of nitrous oxide (NOx) saved.

Furthermore, CenterPoint Energy is working to identify opportunities to effectively partner with its customers on environmentally-beneficial projects. During recent years, the Company completed a 16.7-mile natural gas pipeline from Andover, MN to northeast Minneapolis to serve Xcel Energy's Riverside electric generation power plant. This new pipeline enables the Riverside plant to be converted from coal to natural gas, reducing the plant's carbon footprint while increasing the amount of electricity it can produce. Other environmental benefits of this project include the following air emission reductions: 100 percent reduction in mercury, 99 percent reduction in sulfur dioxide (SO2), 96 percent reduction in NOx and an 86 percent reduction in particulates.

Finally, CenterPoint Energy has agreed to participate in EPA's Landfill Methane Outreach Program. Under this voluntary Program, EPA and industry partners – such as CenterPoint Energy – work to promote the use of landfill gas as a renewable, green energy source. This Program helps to reduce GHG emissions by preventing emissions of methane (CH4) from the decomposition of solid waste in landfills and reusing this methane in efficient landfill gas energy projects.

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading [Investor]

Page: 7. Emissions Methodology

7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

| Base year | Scope 1 Base year emissions (metric tonnes CO2e) | Scope 2 Base year emissions (metric tonnes CO2e) |
|-----------------------------------|--|--|
| Sun 01 Jan 2006 - Tue 31 Jan 2006 | | |

7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use

Other

7.2a**If you have selected "Other", please provide details below**

CenterPoint Energy completed an initial corporate-wide baseline inventory of its 2006 GHG emissions and has commenced efforts to satisfy the new EPA GHG reporting requirements. The existing GHG inventory process indicates that CenterPoint Energy's GHG emissions consist primarily of emissions from direct sources such as methane (CH₄) losses from equipment leaks and burning natural gas to drive pipeline compressors, and indirect emissions from purchased electricity. CenterPoint Energy's 2006 baseline inventory process involved hundreds of hours of effort to collect, compile and process the available data to quantify the GHG emission sources at the corporate- and business unit-level, and CenterPoint Energy has continued to refine its GHG emissions estimates as part of a programmatic continual improvement process. The Company intends to use this existing inventory as a preliminary assessment and planning tool as it seeks to comply with the EPA's new GHG reporting regulations. See also responses to questions 3.1e and 5.1.

CenterPoint Energy's baseline GHG inventory for 2006 emissions was prepared in accordance with the applicable World Resources Institute (WRI) protocol, Interstate Natural Gas Association of America (INGAA), American Gas Association (AGA), and American Petroleum Institute (API) emission estimation methodologies for Scope 1 and Scope 2 emissions. The inventory was based on 2006 data and information developed and provided by each CenterPoint Energy business unit and corporate-level functions using compatible inventory protocols. In some instances, 2006 data were not available, in which case 2007 data were used to represent the relevant emissions for calculating the 2006 baseline inventory. As noted above, since the inventory information is preliminary and has not yet been validated, further data about its methods, assumptions and calculations are not appropriate for reporting at this time.

CenterPoint Energy also is in the process of collecting GHG emissions data for certain operations and facilities that are subject to EPA's new GHG reporting regulations. The methodologies to be used for collecting, calculating and reporting these data are specified in EPA's regulations. See, e.g., 40 C.F.R. §§ 98.3 and 98.7 (general and standardized methods); 98.33-98.36 (data collection and reporting for general stationary fuel combustion sources); 98.403-98.406 (data collection and reporting for natural gas suppliers).

7.3**Please give the source for the global warming potentials you have used**

| Gas | Reference |
|-----|-----------|
| | |

7.4**Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data**

| Fuel/Material/Energy | Emission Factor | Unit | Reference |
|----------------------|-----------------|------|-----------|
| | | | |

8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Financial control

8.2a

Please provide your gross global Scope 1 emissions figure in metric tonnes CO2e

8.2b

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 1 breakdown

| Boundary | Gross global Scope 1 emissions (metric tonnes CO2e) | Comment |
|----------|---|---------|
|----------|---|---------|

8.2c

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 1 Total

| Gross global Scope 1 emissions (metric tonnes CO2e) - Total Part 1 | Comment |
|--|---------|
|--|---------|

8.2d

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 2

| Gross global Scope 1 emissions (metric tonnes CO2e) - Other operationally controlled entities, activities or facilities | Comment |
|---|---------|
|---|---------|

8.3a

Please provide your gross global Scope 2 emissions figure in metric tonnes CO2e

8.3b

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 1 breakdown

| Boundary | Gross global Scope 2 emissions (metric tonnes CO2e) | Comment |
|----------|---|---------|
|----------|---|---------|

8.3c

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 1 Total

| Gross global Scope 2 emissions (metric tonnes CO2e) - Total Part 1 | Comment |
|--|---------|
|--|---------|

8.3d

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 2

| Gross global Scope 2 emissions (metric tonnes CO2e) - Other operationally controlled entities, activities or facilities | Comment |
|---|---------|
|---|---------|

8.4

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

8.4a

Please complete the table

| Reporting Entity | Source | Scope | Explain why the source is excluded |
|------------------|--------|-------|------------------------------------|
|------------------|--------|-------|------------------------------------|

8.4

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

8.4a

Please complete the table

| Source | Scope | Explain why the source is excluded |
|--------|-------|------------------------------------|
|--------|-------|------------------------------------|

8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and Scope 2 figures that you have supplied and specify the sources of uncertainty in your data gathering, handling, and calculations

| Scope | Uncertainty Range | Main sources of uncertainty | Please expand on the uncertainty in your data |
|-------|-------------------|-----------------------------|--|
| | | | As noted above, over the past few years CenterPoint Energy completed a comprehensive baseline inventory of GHG emissions from its corporate-level and business unit operations, all of which are located within the United States. This inventory process indicates that CenterPoint Energy's GHG emissions consist primarily of emissions from direct sources such as methane (CH4) losses from equipment leaks and burning natural gas to drive pipeline compressors, and indirect emissions from purchased electricity. CenterPoint Energy has continued to refine its GHG emissions estimates as part of a programmatic continual improvement process. The Company intends to use this existing inventory as a preliminary assessment and planning tool as it seeks to comply with the EPA's new GHG reporting regulations. The scope of the GHG emissions data reported under EPA's regulations will be dictated by the specific requirements of these regulations. |

| Scope | Uncertainty Range | Main sources of uncertainty | Please expand on the uncertainty in your data |
|-------|-------------------|-----------------------------|--|
| | | | <p>Except where noted otherwise, the responses provided by CenterPoint Energy all include information pertaining to business units over which the Company exercises financial control. CenterPoint Energy's baseline inventory of 2006 corporate-wide GHG emissions covered all direct emissions, as well as indirect emissions from purchased electricity. No direct emissions sources were excluded from the inventory process. CenterPoint Energy has not validated its 2006 baseline GHG inventory, so no information is available regarding the potential uncertainties associated with the inventory. In addition, although CenterPoint Energy and/or certain business units may be reporting GHG emissions information to EPA under the new federal reporting program, the Company does not currently possess information about potential uncertainties regarding these data because the data collection process is still at a preliminary stage of implementation. Please also see responses to questions 10.1 and 11.1.</p> |

8.6

Please indicate the verification/assurance status that applies to your Scope 1 emissions

No emissions data provided

8.6a

Please indicate the proportion of your Scope 1 emissions that are verified/assured

8.6b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

| Type of verification or assurance | Relevant standard | Relevant statement attached |
|-----------------------------------|-------------------|-----------------------------|
| | | |

8.7

Please indicate the verification/assurance status that applies to your Scope 2 emissions

No emissions data provided

8.7a

Please indicate the proportion of your Scope 2 emissions that are verified/assured

8.7b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

| Type of verification or assurance | Relevant standard | Relevant statement attached |
|-----------------------------------|-------------------|-----------------------------|
|-----------------------------------|-------------------|-----------------------------|

8.8

Are carbon dioxide emissions from the combustion of biologically sequestered carbon (i.e. carbon dioxide emissions from burning biomass/biofuels) relevant to your company?

No

8.8a

Please provide the emissions in metric tonnes CO₂e

Further Information

As noted above, CenterPoint Energy's corporate-wide 2006 GHG emission inventory has not been externally verified or validated. To the extent that the new EPA GHG reporting regulations apply to certain Company and/or business unit operations, sufficient data and records will be retained to support the GHG emissions data submitted to EPA, in accordance with the applicable regulations since EPA is not requiring third-party verification. See also response to question 8.5.

CenterPoint Energy is engaged in numerous programs and initiatives that are intended to encourage energy conservation and improved efficiencies in the

delivery and use of both natural gas and electricity. For information about these programs and initiatives please see responses to questions 3.1, 3.2 and 6.1.

Page: 9. Scope 1 Emissions Breakdown - (1 Jan 2010 - 31 Dec 2010)

9.1

Do you have Scope 1 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

No

9.1a

Please complete the table below

| Country | Scope 1 metric tonnes CO2e |
|---------|----------------------------|
|---------|----------------------------|

9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

9.2a

Please break down your total gross global Scope 1 emissions by business division

| Business Division | Scope 1 metric tonnes CO2e |
|-------------------|----------------------------|
|-------------------|----------------------------|

9.2b

Please break down your total gross global Scope 1 emissions by facility

| Facility | Scope 1 metric tonnes CO2e |
|----------|----------------------------|
|----------|----------------------------|

9.2c

Please break down your total gross global Scope 1 emissions by GHG type

| GHG type | Scope 1 metric tonnes CO2e |
|----------|----------------------------|
|----------|----------------------------|

9.2d

Please break down your total gross global Scope 1 emissions by activity

| Activity | Scope 1 metric tonnes CO2e |
|----------|----------------------------|
|----------|----------------------------|

Further Information

CenterPoint Energy has operations and facilities located solely within the United States. See also the responses to questions 7.2 and 8.1.

CenterPoint Energy operates a limited number of stationary combustion sources, consisting primarily of natural gas pipeline compressor stations that combust natural gas. The Company does not currently estimate the MWh-equivalents of the fuel consumed for such purposes.

CenterPoint Energy estimates that during 2010 its electricity consumption was approximately 93,643 MWh (this amount is an estimate but is believed to represent 95-98% of the Company's total electricity consumption during 2010.). See also the responses to questions 7.2 and 8.1.

Page: 10. Scope 2 Emissions Breakdown - (1 Jan 2010 - 31 Dec 2010)

10.1

Do you have Scope 2 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

No

10.1a

Please complete the table below

| Country | Scope 2 metric tonnes CO2e |
|---------|----------------------------|
|---------|----------------------------|

10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

10.2a

Please break down your total gross global Scope 2 emissions by business division

| Business division | Scope 2 metric tonnes CO2e |
|-------------------|----------------------------|
|-------------------|----------------------------|

10.2b

Please break down your total gross global Scope 2 emissions by facility

| Facility | Scope 2 metric tonnes CO2e |
|----------|----------------------------|
|----------|----------------------------|

10.2c

Please break down your total gross global Scope 2 emissions by activity

| Activity | Scope 2 metric tonnes CO2e |
|----------|----------------------------|
|----------|----------------------------|

11.1

Do you consider that the grid average factors used to report Scope 2 emissions in Question 8.3 reflect the contractual arrangements you have with electricity suppliers?

Don't know

11.1a

You may report a total contractual Scope 2 figure in response to this question. Please provide your total global contractual Scope 2 GHG emissions figure in metric tonnes CO2e

11.1b

Explain the basis of the alternative figure (see guidance)

11.2

Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?

No

11.2a

Please provide details including the number and type of certificates

| Type of certificate | Number of certificates | Comments |
|---------------------|------------------------|----------|
|---------------------|------------------------|----------|

Further Information

Questions 11.1 and 11.2 are inapplicable to CenterPoint Energy. See responses to questions 7.2, 8.1 and 10.1.

12.1

What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

12.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has consumed during the reporting year

| Energy type | MWh |
|-------------|-------|
| Fuel | |
| Electricity | 93643 |
| Heat | |
| Steam | |
| Cooling | |

12.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

| Fuels | MWh |
|---|-----|
| Other: Gasoline/diesel - see further information below for total dollars spent for consumption - MWh data not available | |
| Other: Natural gas - see further information below for total dollars spent for consumption - MWh data not available | |

Further Information

Approximately 1.45 percent of CenterPoint Energy's total operational spend during 2010 was for fuel/energy consumption.

CenterPoint Energy also has calculated that its total 2010 operating costs for consuming fuel (gasoline/diesel) were approximately \$13,467,923.20, its total 2010 operating costs for consuming natural gas were about \$4,600.57.

13.1

How do your absolute emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

We don't have any emissions data

13.1a

Please complete the table

| Reason | Emissions value (percentage) | Direction of change | Comment |
|--------|------------------------------|---------------------|---------|
|--------|------------------------------|---------------------|---------|

13.2

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

| Intensity figure | Metric numerator | Metric denominator | % change from previous year | Direction of change from previous year | Explanation |
|------------------|--------------------|--------------------|-----------------------------|--|--|
| | metric tonnes CO2e | unit total revenue | | | CenterPoint Energy does not possess sufficient information by which to compare its corporate-wide 2006 GHG emissions with emissions during prior years. The Company's initial GHG emissions inventory was prepared based on 2006 emissions. See also responses to questions 7.2 and 8.1. Although all of the Company's business units have participated in a company-wide GHG emissions inventory process with 2006 as the base year, in light of the lack of any mandatory federal/state requirements for estimating GHG emissions intensity, CenterPoint Energy has not implemented a program for measuring emissions intensity for its U.S. operations and activities. As CenterPoint Energy develops its GHG emissions measurements, it will be evaluating the emissions intensity metrics that may be appropriate for its specific operational characteristics. |

13.3

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

| Intensity figure | Metric numerator | Metric denominator | % change from previous year | Direction of change from previous year | Explanation |
|------------------|--------------------|--------------------|-----------------------------|--|--------------------------------|
| | metric tonnes CO2e | FTE Employee | | | See response to question 13.2. |

13.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

| Intensity figure | Metric numerator | Metric denominator | % change from previous year | Direction of change from previous year | Explanation |
|------------------|--------------------|--------------------|-----------------------------|--|--------------------------------|
| | metric tonnes CO2e | | | | See response to question 13.3. |

Page: 14. Emissions Trading

14.1

Do you participate in any emission trading schemes?

No, and we do not currently anticipate doing so in the next two years

14.1a

Please complete the following table for each of the emission trading schemes in which you participate

| Scheme name | Period for which data is supplied | Allowances allocated | Allowances purchased | Verified emissions in metric tonnes CO2e | Details of ownership |
|-------------|-----------------------------------|----------------------|----------------------|--|----------------------|
|-------------|-----------------------------------|----------------------|----------------------|--|----------------------|

14.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

14.2

Has your company originated any project-based carbon credits or purchased any within the reporting period?

No

14.2a

Please complete the following table

| Credit origination or credit purchase | Project type | Project identification | Verified to which standard | Number of credits (metric tonnes of CO2e) | Number of credits (metric tonnes CO2e): Risk adjusted volume | Credits retired | Purpose e.g. compliance |
|---------------------------------------|--------------|------------------------|----------------------------|---|--|-----------------|-------------------------|
|---------------------------------------|--------------|------------------------|----------------------------|---|--|-----------------|-------------------------|

Further Information

CenterPoint Energy does not own or operate any assets subject to the EU Emissions Trading Scheme, the Regional Greenhouse Gas Initiative (RGGI) or any other similar trading requirements, and at the current time it has not elected to participate with the Chicago Climate Exchange (CCX) or any other voluntary trading programs. Nonetheless, CenterPoint Energy will continue to review trading systems to determine if there are any attractive opportunities to participate in greenhouse gas emissions markets.

CenterPoint Energy has not originated, purchased or otherwise acquired any project-based carbon credits. However, the Company is continuing to monitor and evaluate its current strategies for addressing GHG emissions and will consider possible future objectives and targets as deemed appropriate. At the same time, CenterPoint Energy is actively taking a number of steps to enhance energy efficiency and assess its GHG emissions potential as discussed above in response to questions 3.1, 3.2 and 6.1.

15.1

Please provide data on sources of Scope 3 emissions that are relevant to your organization

| Sources of Scope 3 emissions | metric tonnes CO2e | Methodology | If you cannot provide a figure for emissions, please describe them |
|------------------------------|--------------------|-------------|--|
| | | | CenterPoint Energy does not estimate upstream and downstream emissions resulting from the energy marketing and consumption choices of its suppliers or wholesale and retail customers. In addition, please see responses to questions 7.2 and 8.1. |

15.2

Please indicate the verification/assurance status that applies to your Scope 3 emissions

No emissions data provided

15.2a

Please indicate the proportion of your Scope 3 emissions that are verified/assured

15.2b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

| Type of verification or assurance | Relevant standard | Relevant statement attached |
|-----------------------------------|-------------------|-----------------------------|
| | | |

15.3

How do your absolute Scope 3 emissions for the reporting year compare to the previous year?

We don't have any emissions data

15.3a

Please complete the table

| Reason | Emissions value (percentage) | Direction of Change | Comment |
|--------|------------------------------|---------------------|---------|
|--------|------------------------------|---------------------|---------|

Module: Electric utilities

Page: 2011-Investor-Electrical 1 Reporting Years

EU0.1

Reference dates

Please enter the dates for the periods for which you will be providing data. The years given as column headings in subsequent tables correspond to the “year ending” dates selected below. It is requested that you report emissions for: (i) the current reporting year; (ii) one other year of historical data (i.e. before the current reporting year); and, (iii) one year of forecasted data (beyond 2015 if possible).

| Year ending | Date range |
|-------------|------------|
| | |

Further Information

CenterPoint Energy's operations include an electric transmission and distribution business unit. However, in contrast to some electric utilities, the company's electric transmission and distribution business does not generate electricity and thus the questions posed under the EU module are inapplicable to CenterPoint Energy.

Page: 2011-Investor-Electrical 2 GlobalTotalByYear

EU1.1

In each column, please give a total figure for all the countries for which you will be providing data for the “year ending” periods that you selected in answer to EU0.1

| Year ending | Nameplate capacity (MW) | Production (GWh) | Absolute emissions (metric tonnes CO2e) | Emission intensity (metric tonnes CO2e/MWh) |
|-------------|-------------------------|------------------|---|---|
|-------------|-------------------------|------------------|---|---|

| Year ending | Nameplate capacity (MW) | Production (GWh) | Absolute emissions (metric tonnes CO2e) | Emission intensity (metric tonnes CO2e/MWh) |
|-------------|-------------------------|------------------|---|---|
| | | | | |

Further Information

See further information response to question EU0.1.

EU2.1

Please select the energy sources/fuels that you use to generate electricity in this country

Coal - Hard

Please complete the following table for the "year ending" periods that you selected in answer to EU0.1

| Year ending | Nameplate capacity (MW) | Production (GWh) | Absolute emissions (metric tonnes CO2e) | Emission intensity (metric tonnes CO2e/MWh) |
|-------------|-------------------------|------------------|---|---|
| | | | | |

Lignite

Please complete the following table for the "year ending" periods that you selected in answer to EU0.1

| Year ending | Nameplate capacity (MW) | Production (GWh) | Absolute emissions (metric tonnes CO2e) | Emission intensity (metric tonnes CO2e/MWh) |
|-------------|-------------------------|------------------|---|---|
| | | | | |

Oil & gas (excluding CCGT)

Please complete the following table for the "year ending" periods that you selected in answer to EU0.1

| Year ending | Nameplate capacity (MW) | Production (GWh) | Absolute emissions (metric tonnes CO2e) | Emissions intensity (metric tonnes CO2e/MWh) |
|-------------|-------------------------|------------------|---|--|
|-------------|-------------------------|------------------|---|--|

CCGT

Please complete the following table for the "year ending" periods that you selected in answer to EU0.1

| Year ending | Nameplate capacity (MW) | Production (GWh) | Absolute emissions (metric tonnes CO2e) | Emissions intensity (metric tonnes CO2e/MWh) |
|-------------|-------------------------|------------------|---|--|
|-------------|-------------------------|------------------|---|--|

Nuclear

Please complete the following table for the "year ending" periods that you selected in answer to EU0.1

| Year ending | Nameplate capacity (MW) | Production (GWh) |
|-------------|-------------------------|------------------|
|-------------|-------------------------|------------------|

Waste

Please complete the following table for the "year ending" periods that you selected in answer to EU0.1

| Year ending | Nameplate capacity (MW) | Production (GWh) | Absolute emissions (metric tonnes CO2e) | Emissions intensity (metric tonnes CO2e/MWh) |
|-------------|-------------------------|------------------|---|--|
|-------------|-------------------------|------------------|---|--|

Hydro

Please complete the following table for the "year ending" periods that you selected in answer to EU0.1

| Year ending | Nameplate capacity (MW) | Production (GWh) |
|-------------|-------------------------|------------------|
|-------------|-------------------------|------------------|

Other renewables

Please complete the following table for the "year ending" periods that you selected in answer to EU0.1

| Year ending | Nameplate capacity (MW) | Production (GWh) |
|-------------|-------------------------|------------------|
|-------------|-------------------------|------------------|

Other

| Year ending | Nameplate capacity (MW) | Production (GWh) | Absolute emissions (metric tonnes CO ₂ e) | Emissions intensity (metric tonnes CO ₂ e/MWh) |
|-------------|-------------------------|------------------|--|---|
|-------------|-------------------------|------------------|--|---|

Solid biomass

Please complete for the "year ending" periods that you selected in answer to EU0.1

| Year ending | Nameplate capacity (MW) | Production (GWh) | Absolute emissions (metric tonnes CO ₂ e) | Emission intensity(metric tonnes of CO ₂ e/MWh) |
|-------------|-------------------------|------------------|--|--|
| | | | | |

Total thermal including solid biomass

Please complete for the "year ending" periods that you selected in answer to EU0.1

| Year ending | Nameplate capacity (MW) | Production (GWh) | Absolute emissions (metric tonnes CO2e) | Emission intensity (metric tonnes CO2e/MWh) |
|-------------|-------------------------|------------------|---|---|
| | | | | |

Total figures for this country

Please enter total figures for this country for the "year ending" periods that you selected in answer to EU0.1

| Year ending | Nameplate capacity (MW) | Production (GWh) | Absolute emissions (metric tonnes in CO2e) | Emission intensity (metric tonnes CO2e/MWh) |
|-------------|-------------------------|------------------|--|---|
| | | | | |

Further Information

See further information response to question EU0.1.

EU3.1

In certain countries, e.g. Italy, the UK, the USA, electricity suppliers are required by regulation to incorporate a certain amount of renewable electricity in their energy mix. Is your company subject to such regulatory requirements?

No

EU3.1a

Please provide the scheme name, the regulatory obligation in terms of the percentage of renewable electricity sourced (both current and future obligations) and give your position in relation to meeting the required percentages

| Scheme name | Current % obligation | Future % obligation | Date of future obligation | Position in relation to meeting obligations |
|-------------|----------------------|---------------------|---------------------------|---|
| | | | | |

Further Information

See further information response to question EU0.1.

Page: 2011-Investor-EU4 Renewable electricity development

EU4.1

Please give the contribution of renewable electricity to your company's EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) in the current reporting year in either monetary terms or as a percentage

| Please give: | Monetary figure | % | Comment |
|--|-----------------|---|---|
| Renewable electricity's contribution to EBITDA | | | CenterPoint Energy's electric transmission and distribution business does not generate electricity and thus the questions posed under the EU module are inapplicable to CenterPoint Energy. |

EU4.2

Please give the projected contribution of renewable electricity to your company's EBITDA at a given point in the future in either monetary terms or as a percentage

| Please give: | Monetary figure | % | Year ending | Comment |
|--|-----------------|---|-------------|----------------------------------|
| Renewable electricity's contribution to EBITDA | | | | See resposne to EU question 4.1. |

EU4.3

Please give capital expenditure (capex) planned for the development of renewable electricity capacity in monetary terms and as a percentage of total capex planned for power generation in the current capex plan

| Please give: | Monetary figure | % | End year of capex plan | Comment |
|---|-----------------|---|------------------------|---------------------------------|
| Capex planned for renewable electricity development | | | | See response to EU question 4.1 |

Module: Sign Off

Page: Sign Off

Please enter the name of the individual that has signed off (approved) the response and their job title

Richard T. Bye, Director of Environmental Services, CenterPoint Energy, Inc.

Carbon Disclosure Project