

Ethics and Compliance Code of Conduct

INTEGRITY

ACCOUNTABILITY

INITIATIVE
RESPECT

For
CenterPoint
Energy
Consultants,
Contractors &
Suppliers

Our Values

Integrity

We do what is right for our customers, our communities, our shareholders, our partners, and each other. Without fail, we follow our values, our rules and policies, and the law.

Initiative

We make hard decisions and tackle tough choices.
We speak up. We use our resources and assets wisely.
We are not afraid to take bold action.

Accountability

We are straightforward in our actions and truthful in our relationships.
When we say we will do something, we follow through and keep our commitments.
We accept personal responsibility for our decisions.

Respect

We show respect to everyone.
We are considerate and show appreciation. Every individual with whom we work deserves our best efforts. We are responsible to our stakeholders and work to earn their trust every day.

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Introduction to our Code

To our Consultants, Contractors and Suppliers:

CenterPoint Energy, Inc. (“CenterPoint Energy” or “the Company”) is a company with proud traditions of trust, quality and commitment –traditions we have developed during more than 130 years of delivering energy. And we are excited about our vision to be recognized as America’s leading energy delivery company ... and more.

To maintain our traditions and realize this vision, CenterPoint Energy and its subsidiaries expect our employees to act in accordance with the highest ethical and legal standards in their business activities. All of CenterPoint Energy business activities are guided by our Ethics and Compliance Code; by our Values: Integrity, Accountability, Initiative, and Respect; and by applicable laws, rules and regulations.

We also require our consultants, contractors and suppliers of other services or materials (“Providers”) to adhere to standards of conduct in a manner that is consistent with our Ethics and Compliance Code and our Values when dealing with CenterPoint Energy, our employees and our customers. To that end, we have prepared this Provider Code of Conduct to describe CenterPoint Energy’s minimum ethics and compliance requirements of our Providers.

We ask that you carefully review this Code and become familiar with the principles that guide our conduct, and that you ensure your employees assigned to CenterPoint Energy work abide by these standards.

If you have questions or wish to report a possible violation

This Code does not address every possible situation involving ethics and compliance that a Provider might face. You should, of course, exercise good judgment in all of your business dealings.

If you are at all unsure of what is required by CenterPoint Energy's policies – or if you are aware of a possible violation of policies – please contact any of the following resources:

- *Your CenterPoint Energy Procurement or Job Representative*
- *A member of CenterPoint Energy's management*
- *CenterPoint Energy's Chief Ethics and Compliance Officer, Carol Helliker, at 713-207-8355 or Carol.Helliker@CenterPointEnergy.com*

CenterPoint Energy also has a designated Ethics and Compliance telephone number – the Concerns Helpline –which affords our Providers another venue to bring ethics and compliance issues to our attention and to which concerns may be reported anonymously. **The Concerns Helpline number is 888-888-3155 and is available 24 hours a day, 7 days a week. Providers may also send an e-mail message to: Compliance.Officer@CenterPointEnergy.com.**

All reports are reviewed by CenterPoint Energy’s Ethics and Compliance Department and are investigated by independent company resources. Appropriate remedial measures are taken based upon these investigations.

QUESTION

How much information must I share with the Concerns Helpline when I report something that I think goes against the Company’s policies or the law?

ANSWER

Please provide as much detail as you can, so that we can assess the situation and take the right action. When you call the Helpline, you will be asked a series of questions that can help you describe your concern or issue completely.

Our Concerns
Helpline
is available
24 hours a day
Seven days a week
888-888-3155

Safety, Health and Environmental

Safety is always our first consideration. It is not optional. Providers must apply safe and healthy work practices (including following all applicable safety and health regulatory and contract-specific requirements) to all activities and must otherwise exercise good judgment in work decisions. Providers performing work on CenterPoint Energy's property or elsewhere on our behalf must incorporate safety and health in every aspect of their work processes and in the attitude and behavior of all their employees. Providers must ensure that their employees report to work fit for duty and remain fit for duty during working hours.

While on CenterPoint Energy's premises or project sites, work should be accomplished in a way that exemplifies environmental stewardship, that is in accordance with all applicable environmental laws, rules and regulations, and that adheres to CenterPoint Energy's environmental policies and procedures. Providers must also ensure that their personnel dress appropriately for the work and wear the uniform agreed upon by contract with CenterPoint Energy. They must also display signs on vehicles identifying themselves as a contractor for CenterPoint Energy if required by contract.

All injuries, incidents and actual or potential safety, health or environmental hazards involving work on CenterPoint Energy's premises or project sites must be immediately and accurately reported to the CenterPoint Energy's job representative and addressed promptly.

QUESTION

***Do I really have to report a minor accident?
No one lost any work time.***

ANSWER

Yes. You must report all accidents, no matter how minor. When you report even the minor accidents, we have the information we need to identify hazards and take corrective action before serious injuries can occur.

Prohibited Items and Activities

- In order to provide a safe and healthy environment for all workers, smoking is prohibited within any of CenterPoint Energy's enclosed facilities, and is also strictly prohibited in other specified locations.
- The use, possession, sale or other distribution of alcoholic beverages or illegal drugs on CenterPoint Energy premises is prohibited, as is being under the influence of illegal drugs or alcohol while working for CenterPoint Energy. Providers should not allow the use of prescription drugs or over-the-counter medications to affect their employees' ability to work safely or efficiently.
- The possession of firearms or other weapons while on CenterPoint Energy's premises and project sites is prohibited, unless applicable state law differs or unless you provide services to CenterPoint Energy as a licensed peace officer and your contract requires you to carry a firearm.

- We will not tolerate workplace violence or threats of any kind – whether committed by or against our employees. This includes acts or threats of violence, intimidation, bullying, assault, or aggressive conduct. Threatening behavior includes spoken or written words, as well as actions. Any threats or acts of violence should be immediately reported to CenterPoint Energy management.

Conflicts of Interest

CenterPoint Energy expects business decisions made on its behalf to be in the best interest of the Company. Any situation that creates or appears to create a conflict between a Provider's personal interest and his or her duties to CenterPoint Energy must be avoided. Such conflicts of interest could include (but would not be limited to):

- *Having an undisclosed family member, ownership or revenue interest in a subcontractor that the provider recommends to CenterPoint Energy*
- *Providing or offering a CenterPoint Energy employee anything of value in return for getting CenterPoint Energy work*

Providers and assigned personnel must either avoid or disclose to CenterPoint Energy's procurement representative or job representative actual or potential conflicts of interest. Any such disclosure must be both timely and complete.

Employment Practices

CenterPoint Energy is committed to treating everyone with dignity and respect, and therefore maintains high standards for personal behavior in the workplace. Providers and their assigned personnel are expected to behave appropriately when working on CenterPoint Energy's premises or project sites. CenterPoint Energy will not tolerate any conduct by Providers or their subcontractors that is harassing, abusive, threatening, offensive, intimidating or otherwise inconsistent with a respectful workplace. This prohibition includes but is not limited to comments, e-mails or other communications that contribute to an offensive work environment.

In addition, we expect you to comply with applicable federal, state, and local statutes that prohibit discrimination or harassment based on race, color, religion, age, sex, national origin, ancestry, physical or mental disability, medical condition, veteran status, marital status, sexual orientation, or any other non-job-related factor.

While working on CenterPoint Energy premises or project sites, Providers and their assigned personnel are also expected to comply with all applicable employment laws and regulations, including those concerning immigration, minimum wage, overtime, payday and other employment-related legal requirements.

Some Providers may be required to conduct background checks on their personnel to ensure they do not pose a risk to CenterPoint Energy assets, employees or customers or to support CenterPoint Energy's compliance with Department of Homeland Security requirements.

QUESTION

A Provider's employee made an off-color joke to a Company employee while working on the Company's premises. Several of us thought it was offensive. What do we do now?

ANSWER

Report the incident to a Company manager, Human Resources, the Ethics and Compliance Department or call the Concerns Helpline.

Gifts and Entertainment

Giving or receiving gifts or entertainment to or from CenterPoint Energy personnel must comply with Company policies. While exchanging modest gifts, entertainment, or other business courtesies may be consistent with normal business practice and generally acceptable, CenterPoint Energy employees may not accept anything from an existing or potential Provider (or anyone else who does business with the Company) that could be construed as an attempt to induce the employee to grant an unfair competitive advantage or to motivate the employee to do anything that is unethical, illegal or prohibited by CenterPoint Energy's policies. It is never acceptable for CenterPoint Energy employees to receive cash or gift certificates.

QUESTION

My Company was just awarded a contract with CenterPoint Energy. I would like to show my appreciation by giving a \$20 Starbucks gift certificate to my contact at CenterPoint Energy. The amount is nominal, so is it acceptable to give the gift certificate?

ANSWER

No, it is not acceptable. No CenterPoint Energy employee may accept a gift certificate regardless of the amount.

Confidential Information, Trade Secrets & Privacy

Confidential information includes facts, data and knowledge that are not generally disclosed to the public and that may provide CenterPoint Energy a competitive advantage. Providers must safeguard CenterPoint Energy confidential information that they receive. This includes an obligation to maintain the confidentiality of information relating to Company employees, customers, business partners or other Providers. Confidential information includes not only business information, but also personal information regarding our employees and customers, such as personnel-file information, medical records, social security numbers, home addresses, and telephone numbers.

Confidential information can be shared within a Provider's company only on a need-to-know basis and only if sufficient safeguards are taken to ensure that the information is treated appropriately. Such information shall not be released to third parties without prior written approval from an appropriate member of CenterPoint Energy's management or Law Department.

Providers and assigned personnel must take utmost care in handling, safeguarding, discussing, or transmitting sensitive or other confidential information. They must also immediately notify CenterPoint Energy management in the event that any confidential information has been released without authorization or has been lost. Finally, the responsibility to maintain the confidentiality of CenterPoint Energy confidential information extends to not disclosing and otherwise safeguarding such information after completion of the work for the Company.

Insider Trading

Providers must adhere to United States securities laws regarding insider trading. Providers must not buy or sell CenterPoint Energy securities while in the possession of material, nonpublic information about the Company. Doing so –or sharing nonpublic information or “tipping” others to buy securities based on such information – could subject those involved to serious civil and criminal penalties. These restrictions apply not only to information about CenterPoint Energy, its affiliates or subsidiaries, but also to information about other companies (such as CenterPoint Energy’s customers or business partners) that Providers may obtain while engaged in CenterPoint Energy work.

QUESTION

In my job as a contractor for CenterPoint Energy I have access to the Company’s earnings information before it is released. A close friend was curious about CenterPoint Energy’s numbers. She knows I cannot say anything directly, but may I give her some hints?

ANSWER

Disclosures of any kind are inappropriate. This includes general statements, hints, gestures, or confirmations of a good guess. Never divulge confidential information before it is publicly released. If you do so, you could be found guilty of a crime.

Other Company Resources, Brands and Trademarks

In addition to confidential information, Company resources include tangible property – such as funds, tools, vehicles, equipment, supplies – and the Company brand. Providers are responsible for safeguarding these types of property, too, and for using such resources only for legitimate business purposes to advance the interests of CenterPoint Energy.

As a CenterPoint Energy Provider you must:

- *Use CenterPoint Energy assets only for legal and ethical activities, and only for the purpose intended by the Company. Personal use of Company assets is strictly prohibited.*
- *Protect CenterPoint Energy assets from damage, waste, loss, misuse or theft, using assets only after appropriate training.*
- *Dispose of CenterPoint Energy assets only with appropriate written approval. The Company's goal is to obtain fair market value for all assets that no longer are needed, unless they are donated with appropriate approval.*

We also expect Providers who interact with our customers to conduct themselves at all times in ways that reinforce and strengthen the CenterPoint Energy brand.

CenterPoint Energy does not endorse products or services, nor the firms or individuals who supply them. Favoritism must not be implied by testimonials or endorsements regarding CenterPoint Energy's use of any materials, supplies, equipment or service. Use of the CenterPoint Energy trademark in publicity, advertising or for any other purpose is not permitted without prior written permission.

Use of Electronic Media

Providers must follow Company policy when using CenterPoint Energy's electronic media, such as computers, fax machines and telephones. This includes using such media primarily for business purposes; communicating confidential information in any way that recognizes and safeguards the sensitivity of the information and the possibility of unauthorized access; not downloading, viewing, saving or forwarding materials of a discriminatory, harassing, threatening, sexual, pornographic, racist, sexist, defamatory or otherwise offensive nature; not installing/running any files or programs on Company systems without prior written permission of the CenterPoint Energy Information Technology Department; and not placing information acquired from CenterPoint Energy's network in any other location without prior written permission.

Providers shall have no expectation of privacy on CenterPoint Energy's network. At any time and without prior notice, the Company may examine all information stored on CenterPoint Energy's network.

Political Activity and Lobbying

CenterPoint Energy restricts the use of its name in political activity at any level. Therefore, Providers may not be involved in any political activity as a representative of CenterPoint Energy or use our Company's name to participate in political activities without the express written consent of the General Counsel for CenterPoint Energy. Those who are approved to interact on CenterPoint Energy's behalf with government officials or candidates for public office must understand and comply with the laws and Company policies that control CenterPoint Energy's participation in the political process including, but not limited to, limitations on gifts, the approval process for contributions, and regulatory reporting requirements.

The rules governing lobbying are complex, highly regulated, and vary state by state. Only authorized employees or lobbyists may engage in lobbying on behalf of CenterPoint Energy. You should seek guidance from the General Counsel before you interact with a public official on behalf of our company if you have any questions regarding lobbying rules.

Transacting International Business

All providers and assigned personnel representing CenterPoint Energy must abide by the national and local laws of the country in which they operate in accordance with applicable United States laws, and other applicable standards. This includes, but is not limited to, immigration, customs, and tax or exchange control laws, regulations and record keeping.

United States trade controls are embodied in various laws and regulations that affect international transactions, including the following:

- *The Foreign Corrupt Practices Act and other anti-corruption provisions*
- *Controls on exports and re-exports of products, technology, and software*
- *Customs and import regulations*
- *Anti-boycott laws*
- *U.S. sanctions and economic embargoes*

We expect providers representing CenterPoint Energy in dealings outside of the U.S. to be aware of and comply with the letter and spirit of these laws and regulations, in addition to all applicable and national laws.

Accuracy of Business Records

Accurate, reliable information and records are critical to meeting CenterPoint Energy's financial, legal and management obligations. All of the Company's financial books, records and accounts must accurately reflect the transactions, payments and events at issue. CenterPoint Energy requires compliance with Generally Accepted Accounting Principles and with its internal system of accounting and auditing controls. It is also imperative that all operational records be accurate, complete, not misleading and prepared in a timely fashion in accordance with applicable laws and regulations, and conform to CenterPoint Energy's procedures.

Providers must therefore record and report all financial and other information related to their work for CenterPoint Energy accurately, honestly, objectively and in a timely matter. Providers must never hide, alter, falsify or disguise the true nature of any transaction or anything else involving CenterPoint Energy, nor otherwise take or fail to take any step that could impair the Company's compliance with these requirements.

CenterPoint Energy's commitment to maintaining accurate books and records requires that you accept orders only when accompanied by an approved CenterPoint Energy purchase order or Company credit card. Failure to comply with this requirement may impact our ability to pay you for goods or services in a timely manner.

QUESTION

I learned that some payments made by CenterPoint Energy to my employer were recorded by CenterPoint Energy as advertising when they are actually for entertainment. Since the total that was spent is accurate, is this a problem if the expense coding is not exactly correct?

ANSWER

Yes, this could be a problem. The Company's books must be kept in reasonably accurate detail and reflect all of the Company's transactions. False transactions or misrepresentations about the Company's finances violate CenterPoint Energy's Code and the Law. Discuss this situation with your supervisor, a CenterPoint Energy manager or the Chief Ethics and Compliance Officer so that this practice is stopped and our records corrected.

FERC Standards of Conduct & the PUCT Code of Conduct

All Providers must comply with CenterPoint Energy's obligations under the Federal Energy Regulatory Commission (FERC) Standards of Conduct. All pipeline contractors (non-construction) who are engaged for more than 30 days should be trained to comply with FERC's Standards of Conduct. Training materials can be found on the Supplier registration site.

Certain Providers must comply with the Texas Public Utility Commission's (PUCT) Code of Conduct. Employees of these Providers who are engaged for more than 30 days should be trained to comply with the PUCT Code of Conduct.

Compliance with Applicable Laws and Regulations

In addition to the legal and ethical requirements described elsewhere in this Code, Providers are expected to comply with all other applicable laws and regulations while on CenterPoint Energy's premises or project sites or otherwise engaged in work for the Company. Providers are responsible for the actions of their employees and their subcontractors by, among other things, ensuring that their employees are:

- *Trained, fully informed and follow the laws, rules, regulations and CenterPoint Energy policies that are applicable to their jobs, locations or project sites.*
- *Properly supervised to ensure compliance with laws and regulations.*
- *Not assigned to CenterPoint Energy work if Providers have reason to believe they may create risks of non-compliance with these policies.*

If required by contract and when requested, all necessary records must be available to CenterPoint Energy's auditing representatives at a mutually agreed-upon time and place. The company retains the right to monitor its assets and work environments in compliance with applicable federal, state and local law. It monitors to promote safety, prevent criminal activity, investigate alleged misconduct and security violations, manage information systems, or for other business reasons.

Business Continuity

CenterPoint Energy's products and services provide critical infrastructure to our customers. Therefore, our Suppliers are expected to have plans in place for their business operations to continue with minimal interruption of supply in the event of an emergency, crisis situation, natural disaster or terrorist/security-related event.

Antitrust, Fair Competition and Competitive Intelligence

Providers and assigned personnel engaged in or seeking to obtain CenterPoint Energy business must comply with all applicable laws and regulations regarding fair competition and antitrust, including unfair pricing practices, unfair marketing practices, or misrepresentation of the products and services of CenterPoint Energy or its competitors. They must also avoid agreements – formal or otherwise - with their competitors to restrain trade such as agreements to fix prices, rig bids, and divide territories or markets or otherwise limit the sale of our services or products, or to engage in boycotts.

We must only use and rely upon information gathered from public sources which are freely available to others. To obtain competitive information, Providers will not use illegal or unethical means, such as theft, bribery, misrepresentation, or espionage. Providers also may not seek or provide to CenterPoint Energy a competitor's confidential information or anyone else's confidential information without their consent.

QUESTION

At a meeting at CenterPoint Energy's offices, I found a document that describes the products of one of our competitors for CenterPoint Energy's business. It is not marked confidential, but I think that it contains prices and marketing plans. Can I keep a copy and share this information with others so that we know what the competition is thinking about?

ANSWER

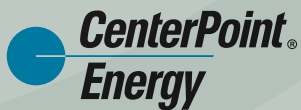
No. You should assume that this document contains confidential information that should not be disclosed. If you use this information, you will violate CenterPoint Energy's values, this code and possibly expose both you and your company to litigation. Contact CenterPoint Energy's Ethics and Compliance Department immediately so that the document can be promptly returned or destroyed.

Other Legal Matters

The guidelines in this Code are subject to revision in CenterPoint Energy's continuing effort to improve its sourcing and procurement practices. This Code is not a contract or an offer to contract between you and CenterPoint Energy and does not alter or reduce any obligations that may be set forth in a formal written agreement between CenterPoint Energy and any Provider. These standards are provided in addition to any applicable contract requirements. In the event of any conflict, the contract shall prevail.

Nothing herein should be construed as a representation of legal or other requirements necessary for a Provider to conduct its business. Each Provider retains the sole responsibility to know, understand, and comply with the applicable statutes and regulations necessary to conduct its business. CenterPoint Energy is not responsible for providing legal requirements to Providers.

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Always There.®