



# Energy News

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## Winter is coming. Is your Energy Management Plan ready?

Fall is here and another winter is just around the corner. The days are getting shorter, temperatures are moderating, leaves are starting to hit the ground. For many people, this is their favorite time of the year. For people with energy management in their job description, however, this is usually a time of last minute preparations for the inevitable hassles that cold weather always seems to bring to their business operations. Along with your other cold weather preparations, now is a great time to evaluate and adjust your corporate energy management plan.

Giving your energy management plan a checkup doesn't have to be difficult. If you've already spent the time and effort necessary to develop a sound energy management strategy for your business, the process need not be anything more than a check (your progress versus goal) and a tweak (adjust your strategy based on current information). And if putting your energy management strategy down on paper hasn't been your highest priority, now is as good a time as any to get started.

Not sure how to get started? Like most planning tasks, there are as many different methods as there are people doing the planning. Try using the seven-step process outlined below to get things going. Remember, no matter what process you use, the end result should be your confidence that you are doing what you can to accomplish your energy management goals. And don't forget that help is just a phone call away to your CenterPoint Energy Services Account Executive.

1. Conduct a review of the monthly energy usage and costs for your current fiscal year or budget cycle. Your monthly energy bills are usually the best place to start. Determine if there were any unique (non-recurring) circumstances that positively or negatively affected your past performance. Was either your usage or costs higher than what you had planned? Where do your results currently stand compared to your plan?
2. Conduct a review of your projected monthly energy usage and costs going forward through the end of your fiscal year or budgeting cycle. Are these estimates still realistic based on your performance to date and your projections for the future? Based on your current knowledge, what are your new usage and cost projections?

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3. Combine your results to date with your projections through the end of your fiscal year or budget cycle and compare these projections to your annual budget targets. This should give you a good reality check on how your year is going to date.
4. Reconfirm what determines successful energy management for your area of responsibility. Examples of evaluation criteria include performance: at or below budget; lower than last year; at the lowest possible cost; at levels that meet product cost assumptions; and/or lower than the default LDC cost. Based on your calculations in Step 3, is your definition of success still within reach? If the answer is yes, your existing plan is working and you should keep following it. If the answer is no, what corrective steps need to be taken to get back on track?
5. If you determine that corrective actions are necessary, it's extremely important that you understand what your corporation's true appetite for risk is. In other words, will the pain of making things worse with an unsuccessful higher risk approach be greater than the joy meeting your goals using the same risk strategy?
6. Based on your appetite for risk, what tools are available and appropriate to implement a strategy that will increase your chances for success? This is really where your CenterPoint Energy Services Account Executive can help you out. They not only have access to a vast array of physical and financial tools that can help you implement an energy management plan, they have the experience and expertise to help you devise and implement your unique strategy.
7. Execute your plan and enjoy the rest of the year knowing that you're doing what you can to manage your energy costs. And remember that help is only a phone call to your CenterPoint Energy Services Account Executive away.

## Regional Reports

### Gulf Coast

#### Louisiana/Mississippi/Texas

#### Increasing the use of Natural Gas Vehicles in North Texas

A new group, Metroplex Natural Gas Vehicle Consortium, plans to promote the use of natural gas in fleet

vehicles in the Dallas-Fort Worth area. The group consists of:

- Gas producers
- Energy users
- Government agencies

Ed Ireland, executive director of the Barnett Shale Energy Education Council, said "Putting more NGVs on the road will reduce the nation's dependence on foreign oil because the U.S. has huge natural gas reserves."

The consortium will focus first on expanding infrastructure for large fleets of vehicles with the thought that smaller fleets and eventually residential users will be able to take advantage of the infrastructure. The North Texas area currently has nine natural gas refueling stations available for public use.

The group plans to utilize the following methods to reach their goals:

- Industry initiatives
- Government programs
- Energy education

### Midwest

#### Iowa/Minnesota/South Dakota/Wisconsin

#### Manufacturing Index Rises Locally

The Milwaukee, WI chapter of the Institute for Supply Management said its September manufacturing index rose two points from the previous month to a reading of 58. A reading above 50 means growth and below 50 indicates contraction. The Milwaukee index is up considerably from its record low of 29 in January.

#### WE Energies Requests Rate Increase

We Energies has filed a regulatory request for a 7% rate increase in 2010. Some of the factors cited by WE include: declining power sales due to the economy, costs linked to the coal power plant construction, transmission line costs, employee pension costs, and the possibility of a lawsuit challenging its building the Oak Creek coal-fired power plant, unless regulators authorize \$5 million in funding for environmental initiatives. The utility is seeking a 10.75 % return in 2010.

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## Regional Reports (continued)

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### Northeast Pennsylvania

#### Cabot Oil Experiences Three Spills within a Week

A fluid material, described as "frac gel", leaked from a pipe at a Cabot Oil and Gas Co. well site and entered Stevens Creek and a nearby wetlands area September 16. Cabot informed the Pennsylvania Department of Environmental Protection (DEP) that failed pipe connections caused the spills.

The two spills totaled about 8,000 gallons, consisting of about 99.5% fresh water and .5% a liquid gel called LGC-35. A smaller third spill occurred on September 22, with all but 10 gallons recovered from a catch basin.

Cabot voluntarily shut down fracking operations at the Heitsman well after the third spill. However, on September 25, the DEP ordered Cabot to stop all gas well hydro-fracturing operations in Susquehanna County until the company completes several engineering and safety tasks.

Cabot spokesman Ken Komoroski said the company will continue to cooperate with the DEP noting "they do a great job of regulating and our goal is 100% compliance with the rules." Cabot's Marcellus production recently reached a new high measuring 52,000 Mcf/d.

### North Central Illinois/Indiana

#### ComEd Looking to Shave Costs for Small Customers

According to Crain's Chicago Business, customers of ComEd will be able to bid for energy "savings" in an auction to be held next year by the Illinois Power Agency (IPA). This will be the first time this opportunity will be available.

The initiative, submitted this month for approval, marks an important change. Until now, utilities have focused almost entirely on ensuring they had enough power to keep the lights on. Now, consumers who band together to reduce overall usage will be able to contract to have the energy they save treated as if it were power they are producing.

Many of the details still needed to be finalized. Your account executive will keep you informed on this issue.

## Customer Corner



Founded in 1909, Da-Lite Screen Company is the leading producer of high quality commercial and residential projection screens worldwide. With headquarters in Warsaw, Indiana and additional operations in the U.S. and Europe, Da-Lite manufactures projection screens and accessories for Fortune 500 companies, entertainment and major broadcast networks, education systems and governments around the globe.

Today Da-Lite's proprietary screen technologies are specified for the most demanding installations from military training simulators to boardrooms and classrooms to home theaters. Da-Lite has become the "First Name in Projection Screens."

Da-Lite is celebrating their 100<sup>th</sup> anniversary this year.

Their Warsaw, IN facility has been a customer of CenterPoint Energy since January 2009. Tim Klein out of the Merrillville, IN office serves as their account representative.

# Energy News

## Regional Offices

Reliable service. People you trust.

### Gulf Coast

#### Houston

1111 Louisiana Street—20th Floor  
Houston, TX 77002  
Phone: 713-207-3547  
Fax: 713-207-0054

#### Dallas

14785 Preston Road, #550  
Dallas, TX 75254  
Phone: 972-789-5560  
Fax: 972-789-5561

#### Louisiana (New Iberia)

2500 LA Highway 14  
New Iberia, LA 70560  
Phone: 337-373-5241  
Fax: 337-373-5220

### Midcontinent/Southeast

#### Little Rock

401 W. Capitol Avenue, #102  
Little Rock, AR 72201  
Phone: 501-377-4874

#### St. Louis

470 N. Kirkwood Road, #200  
St. Louis, MO 63122  
Phone: 314-991-7346  
Fax: 314-991-7501

#### Shreveport

525 Milam, #1440  
Shreveport, LA 71101  
Phone: 318-429-2577  
Fax: 318-429-3059

### Midwest

#### Madison

2810 Crossroads Drive, #2400  
Madison, WI 53718  
Phone: 608-240-2020  
Fax: 608-240-2025  
Toll Free: 800-893-8460

#### Minneapolis

800 LaSalle Avenue, #1725  
Minneapolis, MN 55402  
Phone: 612-321-5099  
Fax: 612-321-5081  
Toll Free: 800-495-9880

### North Central

#### Chicago

3010 Highland Parkway, #525  
Downers Grove, IL 60515  
Phone: 630-241-1010  
Fax: 630-241-1110  
Toll Free: 800-423-2080

#### Merrillville

8585 Broadway, #851  
Merrillville, IN 46410  
Phone: 219-793-1000  
Fax: 219-793-1001  
Toll Free: 800-423-2080

### Northeast

#### Hershey

2981 Elizabethtown Road, #200  
Hershey, PA 17033  
Phone: 877-666-3670  
Fax: 717-520-3674

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