

## 138kV Springwoods Project FAQs

### 1. Who is CenterPoint Energy?

CenterPoint Energy, Inc., headquartered in Houston, Texas, is a domestic energy delivery company that includes electric transmission & distribution, natural gas distribution, competitive natural gas sales and services, interstate pipelines, and field services operations. The company serves more than five million metered customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Oklahoma, and Texas. With about 8,800 employees, CenterPoint Energy and its predecessor companies have been in business for more than 135 years. In the Houston metropolitan area, CenterPoint Energy maintains the wires, towers, poles and electric infrastructure serving more than 2 million end-use customers in a 5,000-square-mile electric service territory. While CenterPoint Energy employees work to ensure the reliable delivery of electricity from power generating stations to homes and businesses, the Company neither owns power generation nor sells electricity to customers.

### 2. Why did CenterPoint Energy hold a public meeting for the project on September 6, 2011?

CenterPoint Energy is regulated by the Public Utility Commission of Texas (PUCT). Under PUCT Procedural Rule §22.52(a)(4), an electric utility must hold at least one public meeting for new transmission line projects that meet certain criteria. The purpose of the public meeting was to share and gather information as well as address any concerns or questions from landowners and other interested parties about the routing of a proposed transmission line prior to CenterPoint Energy filing an Application for a Certificate of Convenience and Necessity (CCN) for a Proposed Transmission Line with the PUCT. Individuals attending the public meeting had an opportunity to make comments, ask questions, and express any concerns that they might have about the routes under consideration. Representatives from CenterPoint Energy and POWER Engineers were available to answer questions.

### 3. What are transmission lines?

Transmission lines are high-voltage power lines that move electricity from generating stations to substations. Transmission lines are larger, operate at higher voltages, and typically deliver electricity over longer distances. Distribution lines deliver electricity from substations to end-use consumers, and they are smaller, operate at lower voltages, and deliver electricity over shorter distances within cities and neighborhoods.

### 4. Why is a new transmission line and substation needed for this project?

Electrical facilities are needed for a new, large master-planned residential and commercial development in an undeveloped area west of I-45 near the interchange of I-45 and the Hardy Toll Road. The proposed development includes 4,500 – 5,000 new homes along with more than 8 million square feet of commercial office space and 1.2 million square feet of retail space. In order to support and maintain reliable electric service in the area, significant electrical infrastructure improvements are required, including the proposed 138 kilovolt (kV) transmission line that will serve a new substation that CenterPoint Energy is also proposing

to build. The proposed substation, which is known as the Springwoods Substation, will serve new and existing residential and commercial development in northern Harris and southern Montgomery Counties.

**5. What happens if the new transmission line and substation are not constructed?**

New transmission and substation electrical facilities are needed primarily to support the added electrical load from the master-planned residential and commercial development, but also to continue to provide reliable electric service in this growing area.

If the transmission line and substation are not constructed, then multiple, lower-voltage distribution lines would have to be extended to this area from more distant substations in an effort to support the new development. However, the distribution lines would not provide the same level of electric reliability as the proposed project and could defer development as a result.

**6. Where will the transmission line be located?**

The exact route of the transmission line has not been determined. CenterPoint Energy has gathered input from the community and other sources for its routing study and environmental assessment which was included in the CCN application that the Company submitted to the PUCT on January 12, 2012. The PUCT regulates CenterPoint Energy and will decide whether the application should be approved and on which route the transmission line should be constructed. The PUCT has one year to make a decision after the CCN application is submitted.

**7. What are the considerations involved in selecting a route for the transmission line?**

CenterPoint Energy considered many factors in determining the nine alternative routes submitted in its CCN application. The PUCT considers the same factors in its decision of an appropriate route for a proposed transmission line. These factors include community values, recreational and park areas, historic and aesthetic values, and environmental integrity. Additional factors include whether the route utilizes or parallels compatible rights-of-way, such as following existing transmission lines, roads, pipelines, property lines, natural features, and cultural features.

**8. What type of structures will be used on the new transmission line?**

Depending upon the route approved by the PUCT, double-circuit 90 foot tall lattice towers or 85 foot to 100 foot tall concrete monopoles are proposed, or a combination of these structures including some steel monopoles for angles or long crossings. In locations where the route segments are not adjacent to public roads or existing transmission lines, the proposed construction for the transmission line will use either lattice towers in a new 80 foot wide right-of-way or 85 foot to 100 foot tall concrete monopoles in a new 60 foot wide right-of-way. Where the proposed line follows an existing public road, concrete monopoles will be located inside the edge of the road right-of-way and require a new 25 foot wide aerial

easement adjacent to the road. Where the proposed line follows an existing transmission line, the proposed construction for the transmission line will use either lattice towers or concrete monopoles in a new 50 foot wide right-of-way adjacent to the existing transmission right-of-way.

**9. When will construction tentatively begin, and when will the project be completed?**

CenterPoint Energy filed the CCN application with the PUCT on January 12, 2012. The PUCT has one year to make a decision on the project. If the project is approved by the PUCT, the Company plans to begin construction in December 2013 with the project completed in June 2014.

**10. How will CenterPoint Energy compensate landowners if it is necessary for the transmission line to cross their property?**

CenterPoint Energy will make a good faith offer to the landowner when purchasing right-of-way following the guidelines of Texas law and will provide a copy of the State of Texas Landowner's Bill of Rights. In cases where the parties do not agree on the value of the property, the resolution of the land value is made in a condemnation proceeding where a judge will appoint three special commissioners. After hearing the evidence from all interested parties, the special commissioners will determine the consideration to be awarded as adequate compensation.