CenterPoint Energy

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Natural Gas Customer Symposium

February 1st, 2018

Mission



To foster enhanced communication and strengthen long-term relationships with high valued customers through a trusted energy partnership.

Proprietary and Confidential

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Agenda

Registration, conversation and continental breakfast

Welcome and introduction. . . . . Rob Ellis

Keynote address . . . . . Corey Grindal

Keynote address . . . . . Patricio Calles

CEO update . . . . . Scott Prochazka

Lunch

Domestic and Gulf Coast Natural Gas Supply
and Demand and Natural Gas Pricing . . . . . .David Tucker

Natural Gas Supply During
Pipeline Interruptions Using LNG and CNG. . . . . James Hulse

Intrastate Pipeline (CEIP) Overview. . . . . Jesse Blair

Q&A panel session

Closing remarks. . . . . Joe Vortherms

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Material Presented on a Courtesy Basis

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Forward-looking statements in this presentation include statements about natural gas prices, natural gas storage inventories, and natural gas supply vis-à-vis demand, electric reliability, and natural gas reliability. We have based our forward-looking statements on our management's beliefs and assumptions based on information currently available to our management at the time the statements are made. We caution you that assumptions, beliefs, expectations, intentions, and projections about future events may and often do vary materially from actual results. Therefore, we cannot assure you that actual results will not differ materially from those expressed or implied by our forward-looking statements.

Some of the factors that could cause actual results to differ from those expressed or implied by our forward-looking statements include but are not limited to the timing and impact of future regulatory, legislative and IRS decisions, financial market conditions, future market conditions, economic and employment conditions, customer growth and other factors described in CenterPoint Energy, Inc.’s Form 10-K for the period ended December 31, 2015 under “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Certain Factors Affecting Future Earnings” and in other filings with the SEC by CenterPoint Energy, which can be found at www.centerpointenergy.com on the Investor Relations page or on the SEC’s website at www.sec.gov.

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CHENIERE ENERGY, INC.

US LNG Exports:
The Current Environment and Future Prospects

CenterPoint Energy Natural Gas Customer Symposium – February 2018

Corey Grindal
Senior Vice President, Gas Supply and Trading

Safe Harbor Statements

Forward-Looking Statements

This presentation contains certain statements that are, or may be deemed to be, “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical or present facts or conditions, included or incorporated by reference herein are “forward-looking statements.” Included among “forward-looking statements” are, among other things:

- statements regarding the ability of Cheniere Energy Partners, L.P. to pay distributions to its unitholders or Cheniere Energy Partners LP Holdings, LLC or Cheniere Energy, Inc. to pay dividends to its shareholders or participate in share or unit buybacks;
- statements regarding Cheniere Energy, Inc.’s, Cheniere Energy Partners LP Holdings, LLC’s or Cheniere Energy Partners, L.P.’s expected receipt of cash distributions from their respective subsidiaries;
- statements that Cheniere Energy Partners, L.P. expects to commence or complete construction of its proposed liquefied natural gas (“LNG”) terminals, liquefaction facilities, pipeline facilities or other projects, or any expansions or portions thereof, by certain dates or at all;
- statements that Cheniere Energy, Inc. expects to commence or complete construction of its proposed LNG terminals, liquefaction facilities, pipeline facilities or other projects, or any expansions or portions then of, by certain dates or at all;
- statements regarding future levels of domestic and international natural gas production, supply or consumption or future levels of LNG imports into or exports from North America and other countries worldwide, or purchases of natural gas, regardless of the source of such information, or the transportation or other infrastructure, or demand for and prices related to natural gas, LNG or other hydrocarbon products;
- statements regarding any financing transactions or arrangements, or ability to enter into such transactions;
- statements relating to the construction of our proposed liquefaction facilities and natural gas liquefaction trains (“Trains”) and the construction of the Corpus Christi Pipeline, including statements concerning the engagement of any engineering, procurement and construction ("EPC") contractor or other contractor and the anticipated terms and provisions of any agreement with any EPC or other contractor, and anticipated costs related thereto;
- statements regarding any agreement to be entered into or performed substantially in the future, including any revenues anticipated to be received and the anticipated timing thereof, and statements regarding the amounts of total LNG regasification, natural gas, liquefaction or storage capacities that are, or may become, subject to contracts;
- statements regarding counterparties to our commercial contracts, construction contracts and other contracts;
- statements regarding our planned development and construction of additional Trains or pipelines, including the financing of such Trains or pipelines;
- statements that our Trains, when completed, will have certain characteristics, including amounts of liquefaction capacities;
- statements regarding our business strategy, our strengths, our business and operation plans or any other plans, forecasts, projections or objectives, including anticipated revenues, capital expenditures, maintenance and operating costs, run-rate SG&A estimates, cash flows, EBITDA, Adjusted EBITDA, run-rate EBITDA, distributable cash flow, and distributable cash flow per share and unit, any or all of which are subject to change;
- statements regarding projections of revenues, expenses, earnings or losses, working capital or other financial items;
- statements regarding legislative, governmental, regulatory, administrative or other public body actions, approvals, requirements, permits, applications, filings, investigations, proceedings or decisions;
- statements regarding our anticipated LNG and natural gas marketing activities; and
- any other statements that relate to non-historical or future information.

These forward-looking statements are often identified by the use of terms and phrases such as “achieve,” “anticipate,” “believe,” “contemplate,” “develop,” “estimate,” “example,” “expect,” “forecast,” “goals,” ”guidance,” “opportunities,” “plan,” “potential,” “project,” “propose,” “subject to,” “strategy,” “target,” and similar terms and phrases, or by use of future tense. Although we believe that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed in “Risk Factors” in the Cheniere Energy, Inc., Cheniere Energy Partners, L.P. and Cheniere Energy Partners LP Holdings, LLC Annual Reports on Form 10-K filed with the SEC on February 24, 2017, which are incorporated by reference into this presentation. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these ”Risk Factors.” These forward-looking statements are made as of the date of this presentation, and other than as required by law, we undertake no obligation to update or revise any forward-looking statement or provide reasons why actual results may differ, whether as a result of new information, future events or otherwise.

Reconciliation to U.S. GAAP Financial Information

The following presentation includes certain “non-GAAP financial measures” as defined in Regulation G under the Securities Exchange Act of 1934, as amended. Schedules are included in the appendix hereto that reconcile the non-GAAP financial measures included in the following presentation to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP.

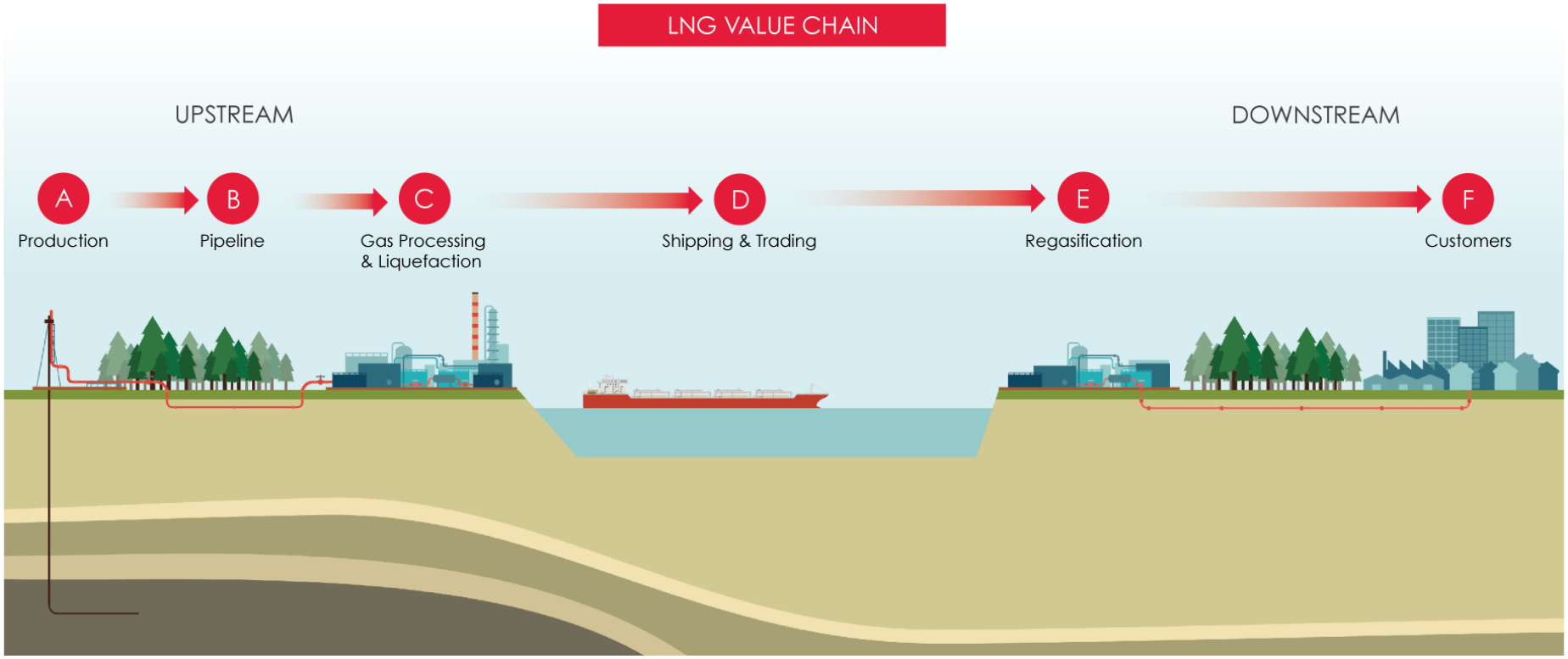
Today's Presentation

1. **Introduction to Cheniere**
2. **US LNG Exports**
3. **Global LNG Dynamics**
4. **Takeaways**

Sabine Pass First Cargo: 24th Feb 2016

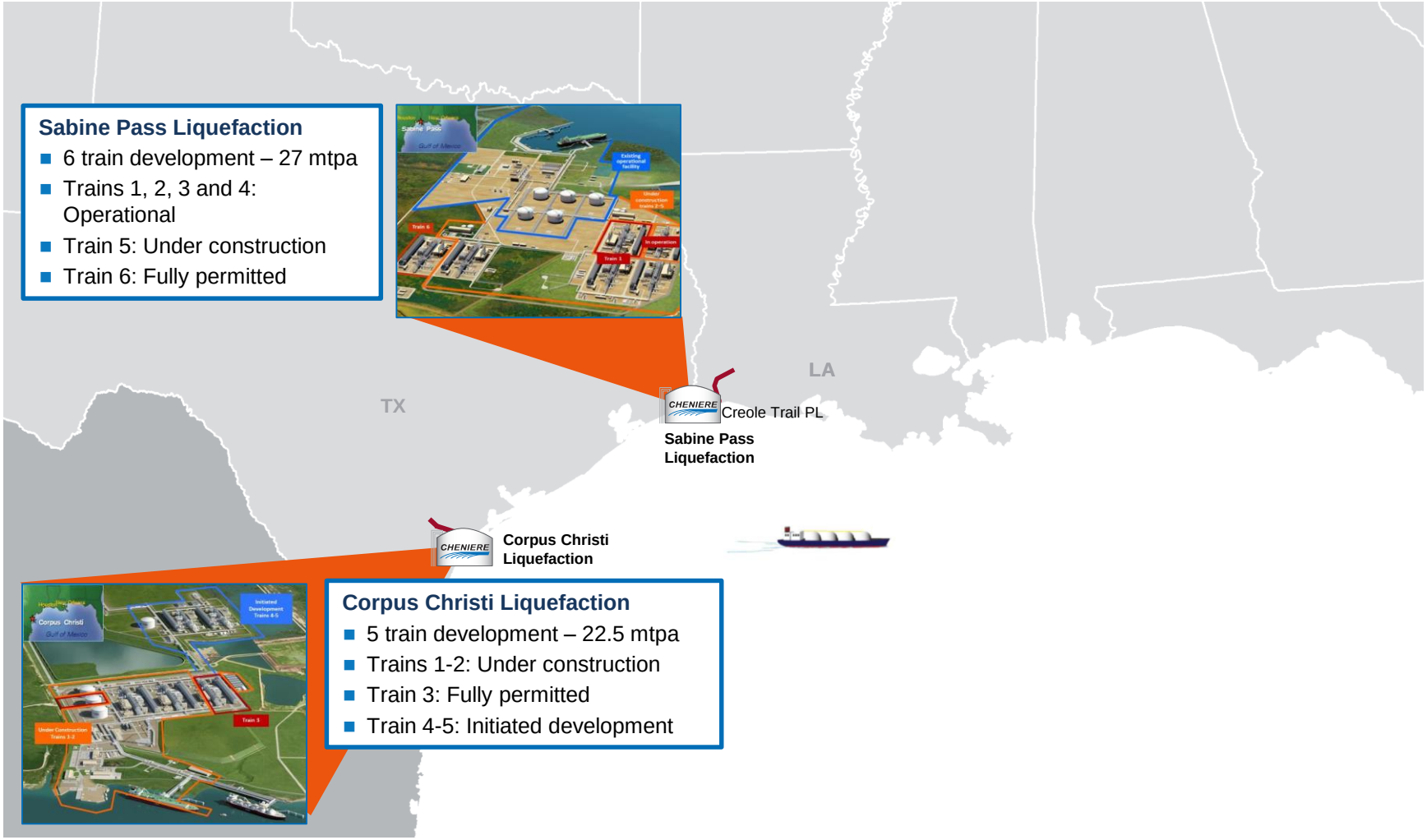
Liquefied Natural Gas (LNG) is a Global Commodity

- 1 cargo of natural gas in liquid state = 600 cargos of natural gas in gaseous state
- Liquid state occurs when methane temperature reaches -260 degrees Fahrenheit



Cheniere US LNG Platform

- 18 MTA* of liquefaction capacity in operations and 13.5 MTA under construction
- 87% of liquefaction capacity contracted with creditworthy buyers for 20 years on a fixed fee basis



1 mtpa = 0.13 Bcf/d, which can power ~800,000 homes for a year

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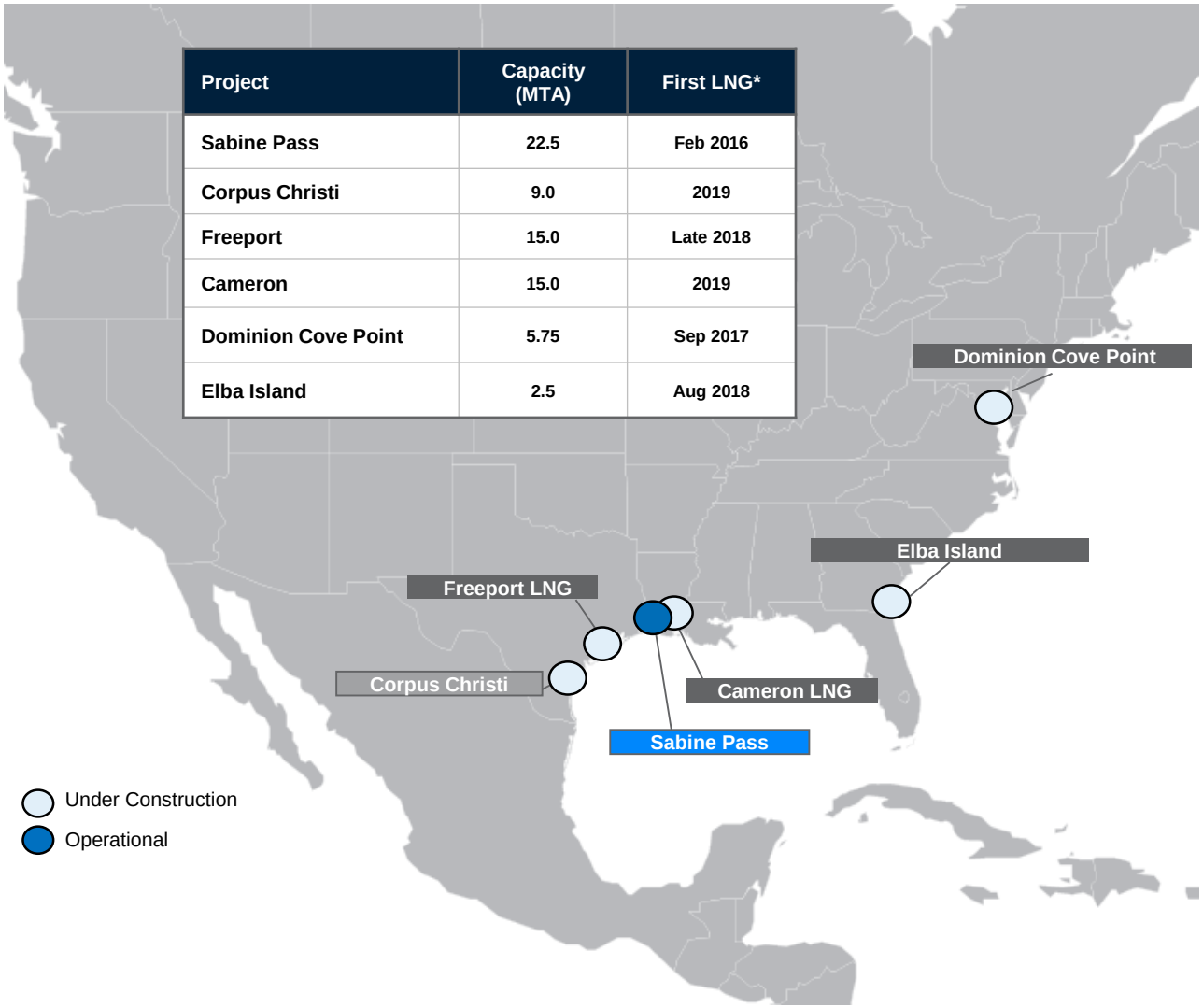
Cheniere First Mover, Representing >50% of US LNG Export Capacity

Project	Capacity (MTA)	First LNG*
Sabine Pass	22.5	Feb 2016
Corpus Christi	9.0	2019
Freeport	15.0	Late 2018
Cameron	15.0	2019
Dominion Cove Point	5.75	Sep 2017
Elba Island	2.5	Aug 2018



Source: Office of Oil and Gas Global Security and Supply, Office of Fossil Energy, U.S. Department of Energy; U.S. Federal Energy Regulatory Commission; Company releases
**First LNG is defined as 2 months before WoodMac reported in-service date*

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Cheniere US Full Service Business Model a Competitive Advantage

US Pipeline, Storage and Gas Supply

- One of largest pipeline capacity holders in US: more than 5 Bcf/d
- More than $400 million in annual capacity payments
- Manage intra-month volume variance and price exposure

Feed Gas

Liquefaction

- 3 trains in operation, 1 train in commissioning, and 3 trains under construction
- All trains to date completed on time and within budget
- Growing operational efficiency allows for seamless expansion of already permitted capacity

FOB sales

Shipping/DES Sales

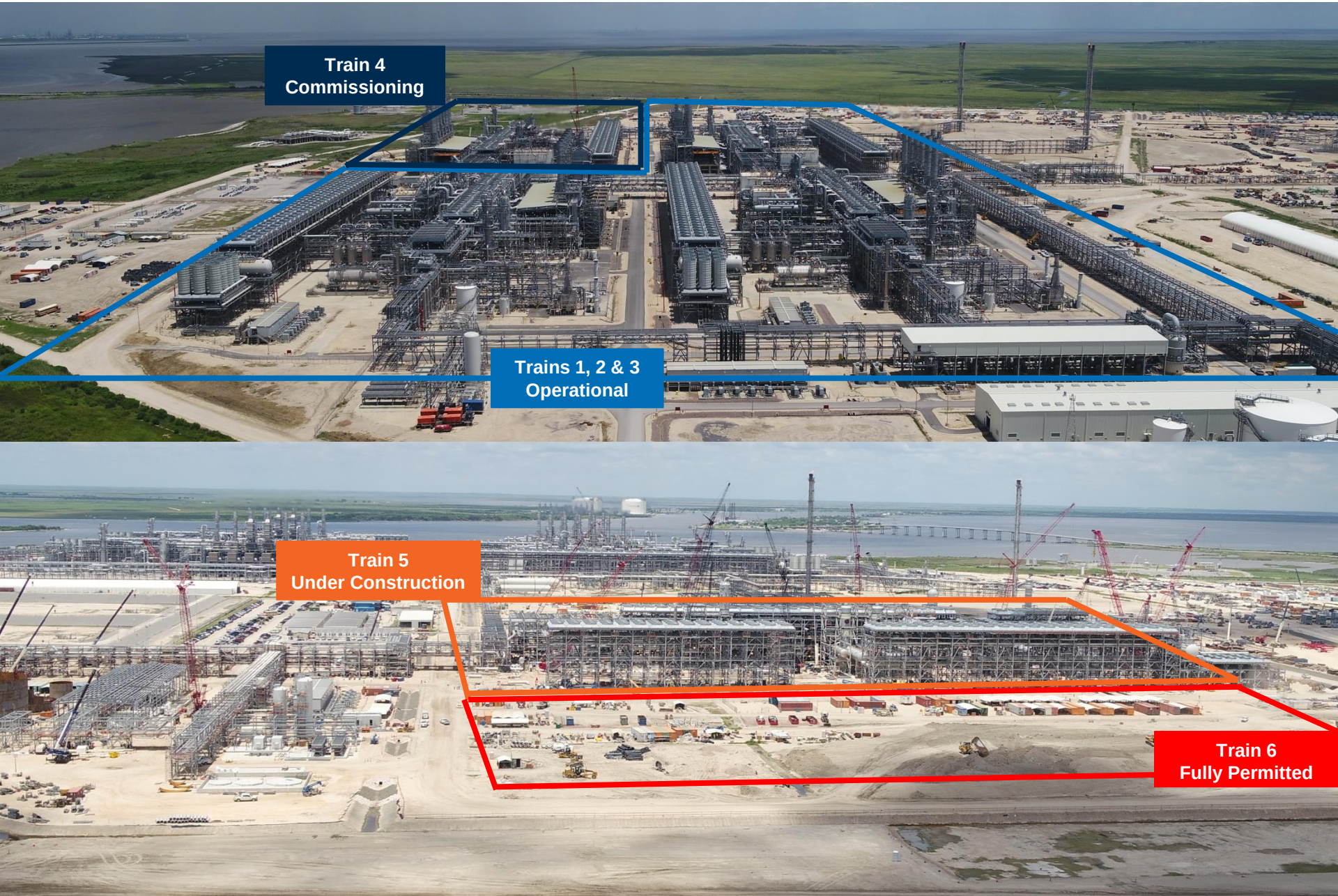
- Cheniere Marketing delivered more than 25 cargoes from Sabine Pass by end of 2016
- Chartered over 25 LNG tankers since startup
- Cheniere Marketing has excess volumes ready to sell FOB or DES

DES sales

LNG to Power

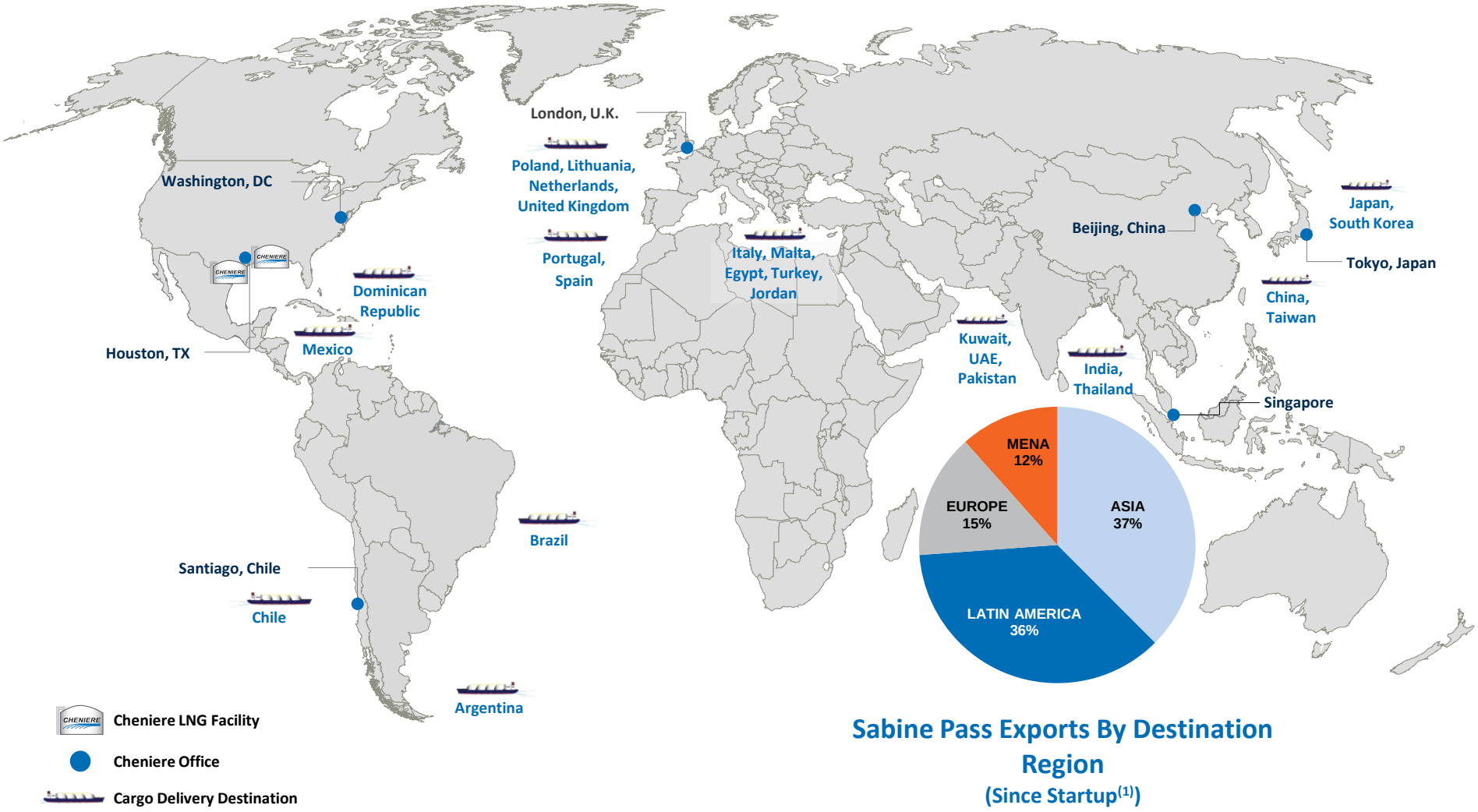
- Global origination team targeting LNG-to-power projects
- Advantaged to provide full service LNG supply model
- Opportunities along the LNG value chain to improve and optimize core LNG platform

Sabine Pass Liquefaction Project Execution – 2Q 2017



Destination of Sabine Pass Cargoes

Since Start Up, More Than 230 Cargoes Loaded and Delivered to 25 Countries

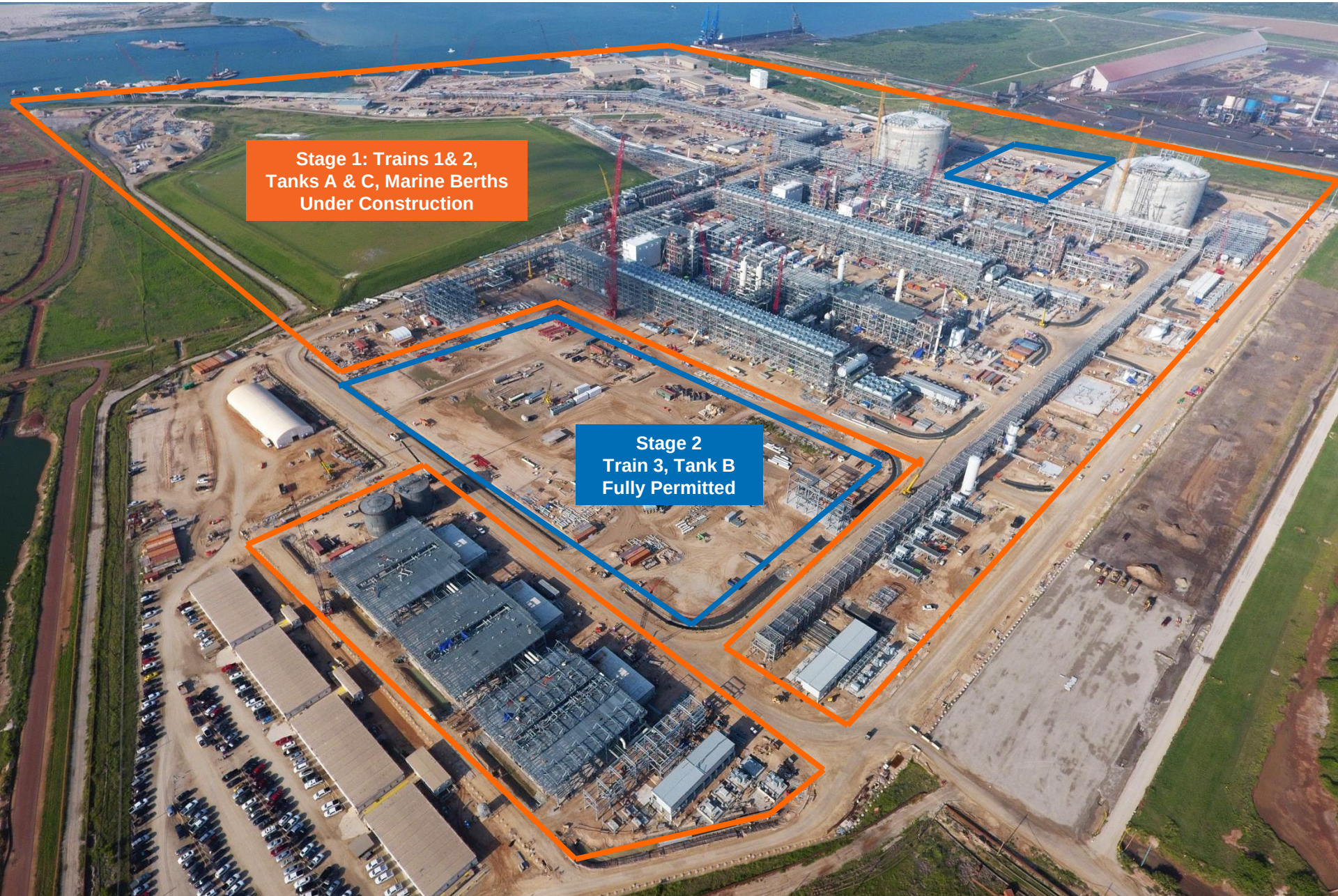


Sabine Pass Exports By Destination Region
(Since Startup[1])

Sources: Cheniere Research, Kpler
MENA – Middle East – North Africa

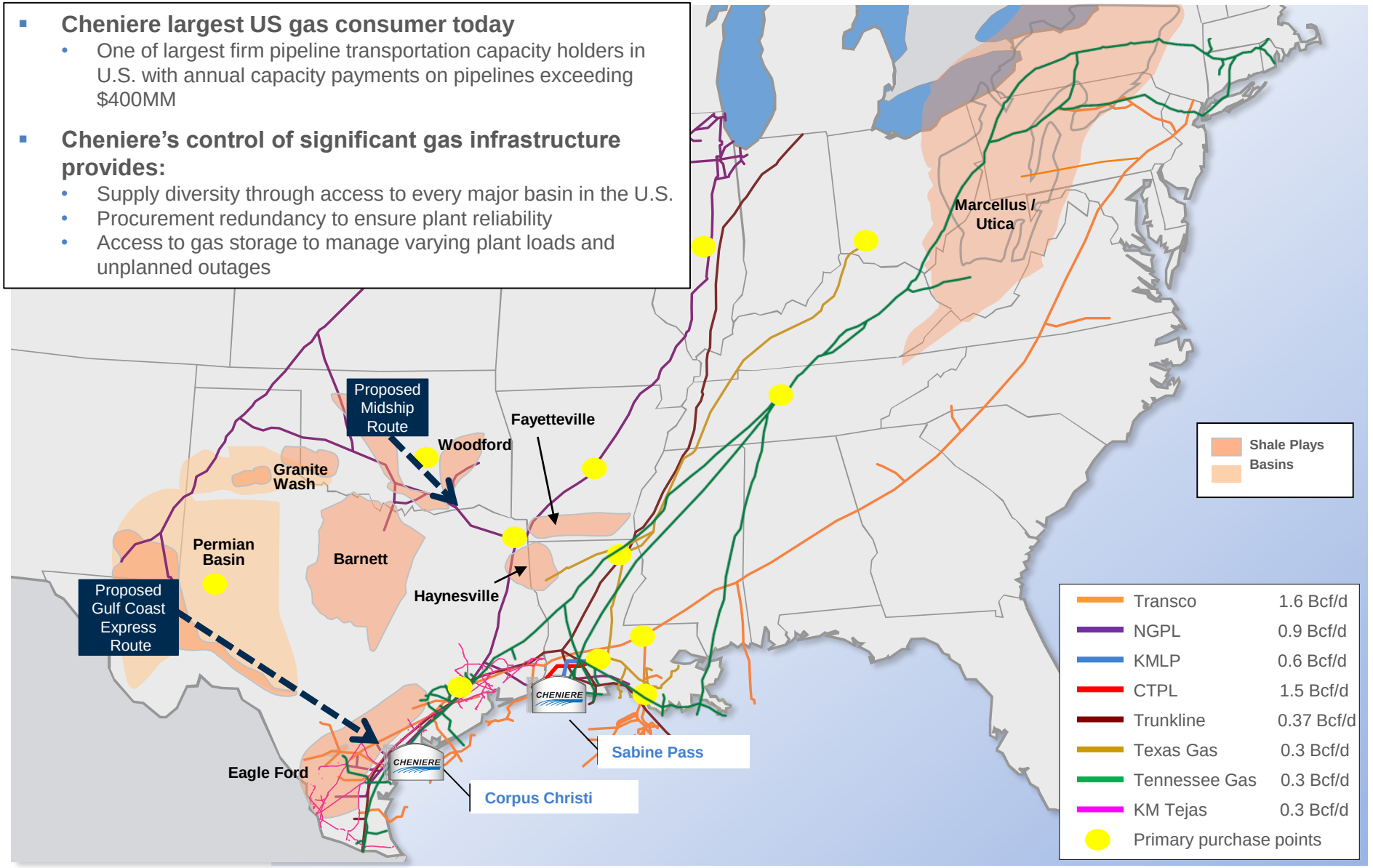
[1]Date reflects cargo loading date until January 4, 2018, representing all cargoes that have loaded and discharged.

Corpus Christi Liquefaction Project Execution – 2Q 2017

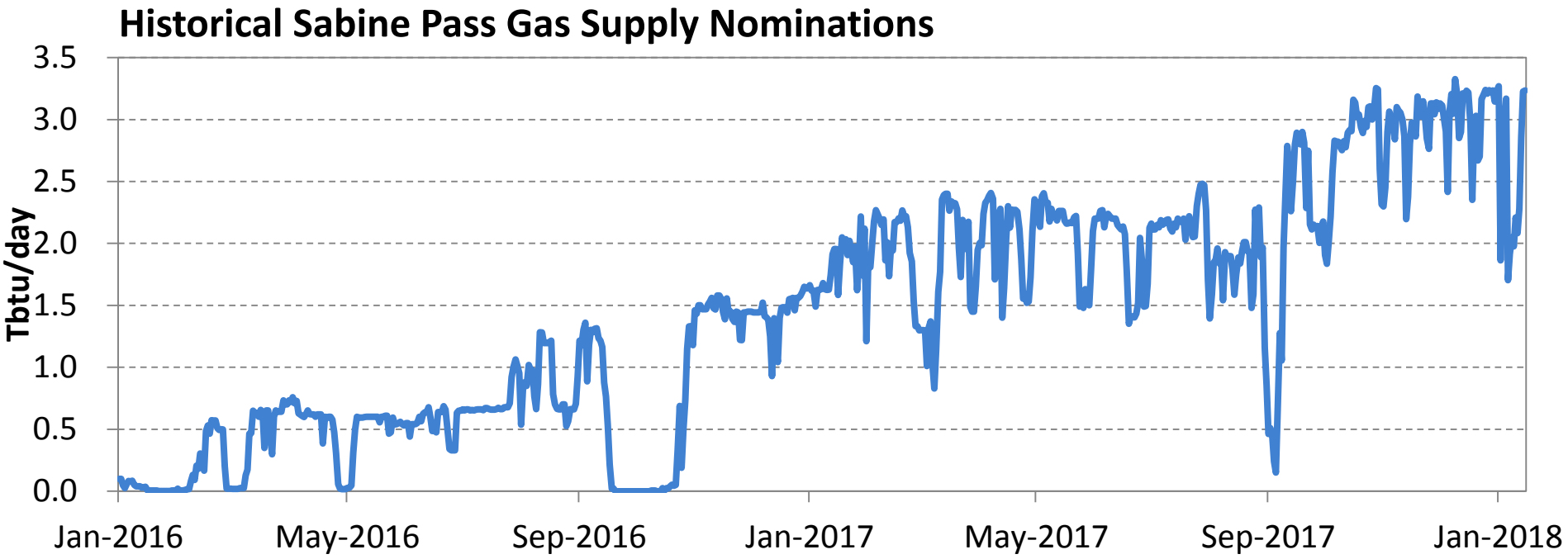


Cheniere Has Invested in Significant Infrastructure to Support US Gas Procurement

- **Cheniere largest US gas consumer today**
  - One of largest firm pipeline transportation capacity holders in U.S. with annual capacity payments on pipelines exceeding $400MM
- **Cheniere's control of significant gas infrastructure provides:**
  - Supply diversity through access to every major basin in the U.S.
  - Procurement redundancy to ensure plant reliability
  - Access to gas storage to manage varying plant loads and unplanned outages



Sabine Pass Liquefaction
Gas Supply Operations to Date



- Delivered over 1,000 Tbtu to the terminal
- Successfully commissioned four trains and associated upstream infrastructure
- Management of intra-month/intra-day volume variance and price exposure requires a fully staffed trade floor in-tune with plant operations

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Cheniere's Full Service Model Offers Enhanced Price Certainty For Buyers

Cheniere's Model

115% of Henry Hub

+ Fixed Charge

+ LNG Shipping

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- Cheniere's full service model offers risk reduction and price certainty for buyers
- Cheniere manages all costs and risks:
  - Pipeline transportation, storage and fuel
  - Pipeline balancing, gas disposal and penalties
  - Liquefaction
  - LNG shipping
  - LNG market development

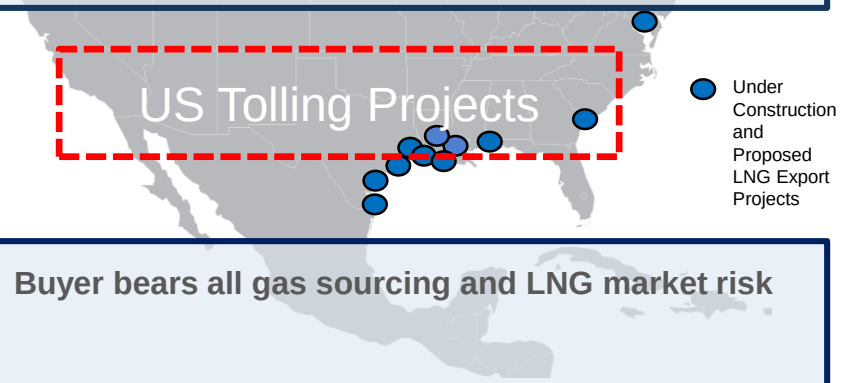
Tolling Model

Gas Purchase/Transport Cost

+ Plant Fuel/Power/Opex

+ Fixed Charge

+ LNG Shipping



- Buyer bears all gas sourcing and LNG market risk
- Risks and cost vary depending on:
  - Purchase location, distance and pipeline access
  - Availability of storage, balancing and disposal
  - LNG shipping risk
  - Global LNG shipping market
  - LNG market development uncertainty

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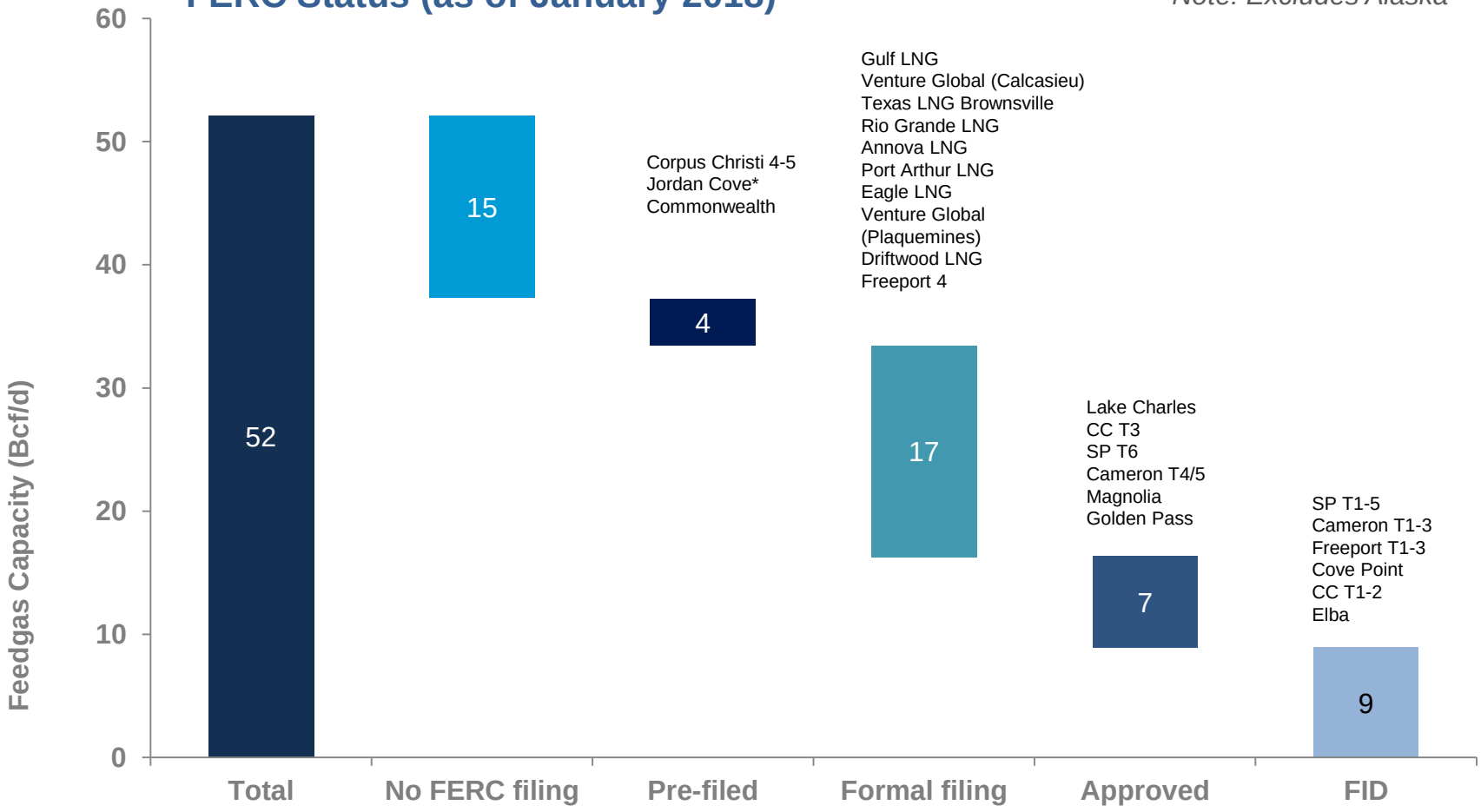
Sabine Pass First Cargo: 24th Feb 2016

Current State of US LNG Projects

- **4 Trains online**
- **6.5 Bcf/d under construction**
- **Over 50 Bcf/d proposed**

FERC Status (as of January 2018)

Note: Excludes Alaska



Source: US FERC, US DOE, and press reports

*Previously denied by FERC and had to re-file

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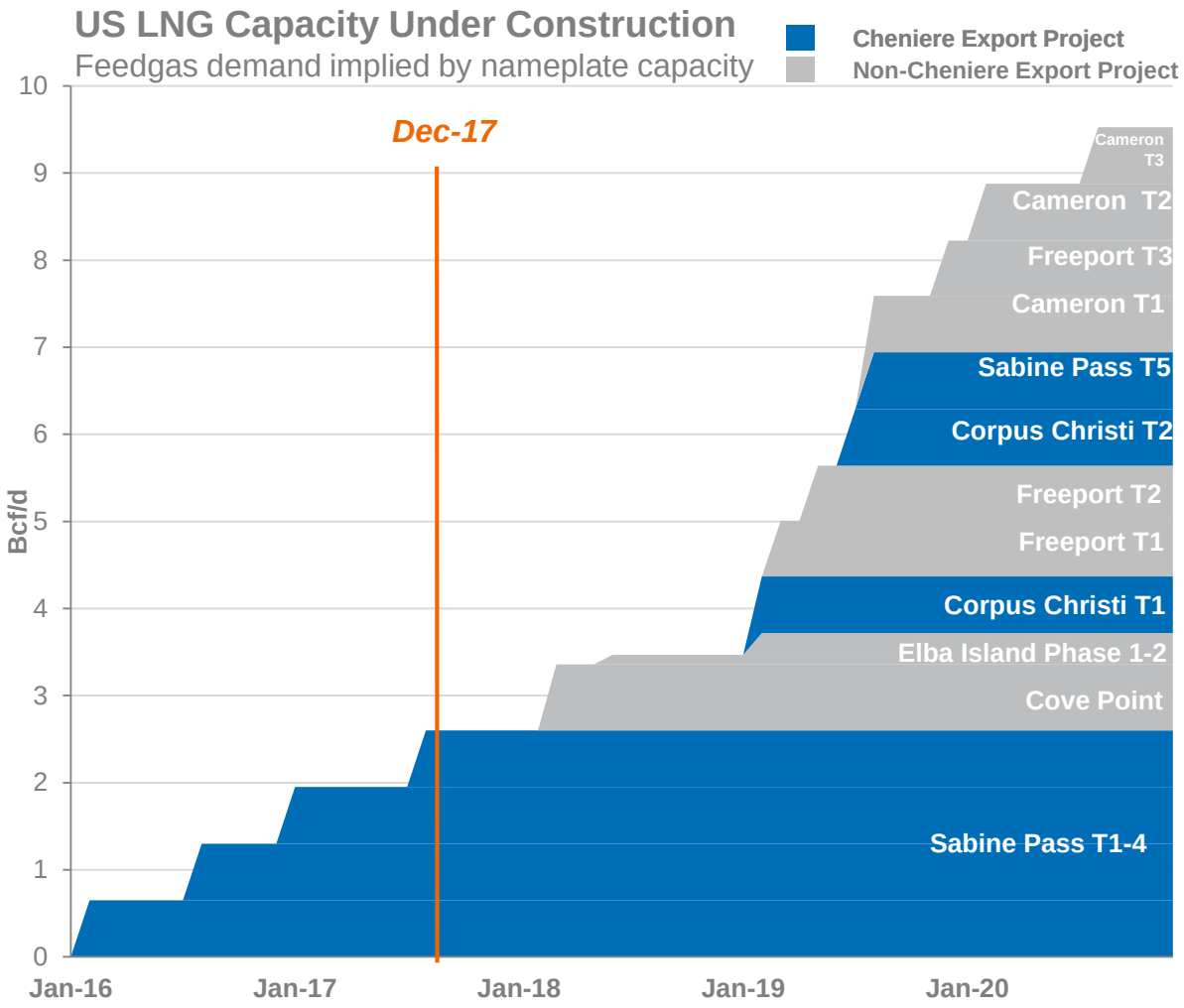
U.S. LNG Capacity Under Construction

US LNG feedgas demand could exceed 9 Bcf/d by year-end 2020



Increasing LNG exports will dwarf demand growth from other sectors through the mid-2020's

- **Power**: baseload demand growth from announced coal retirements limited to <2 Bcf/d
- **Industrial** : <1.5 Bcf/d growth expected by 2025
- **Pipeline Exports to Mexico**: major near-term increases limited by downstream infrastructure challenges

Source: Cheniere Research estimates for first export. Assumes feedgas demand of 0.144 Bcf/d per 1 MTPA of liquefaction capacity. Actual start dates may differ depending on construction schedules

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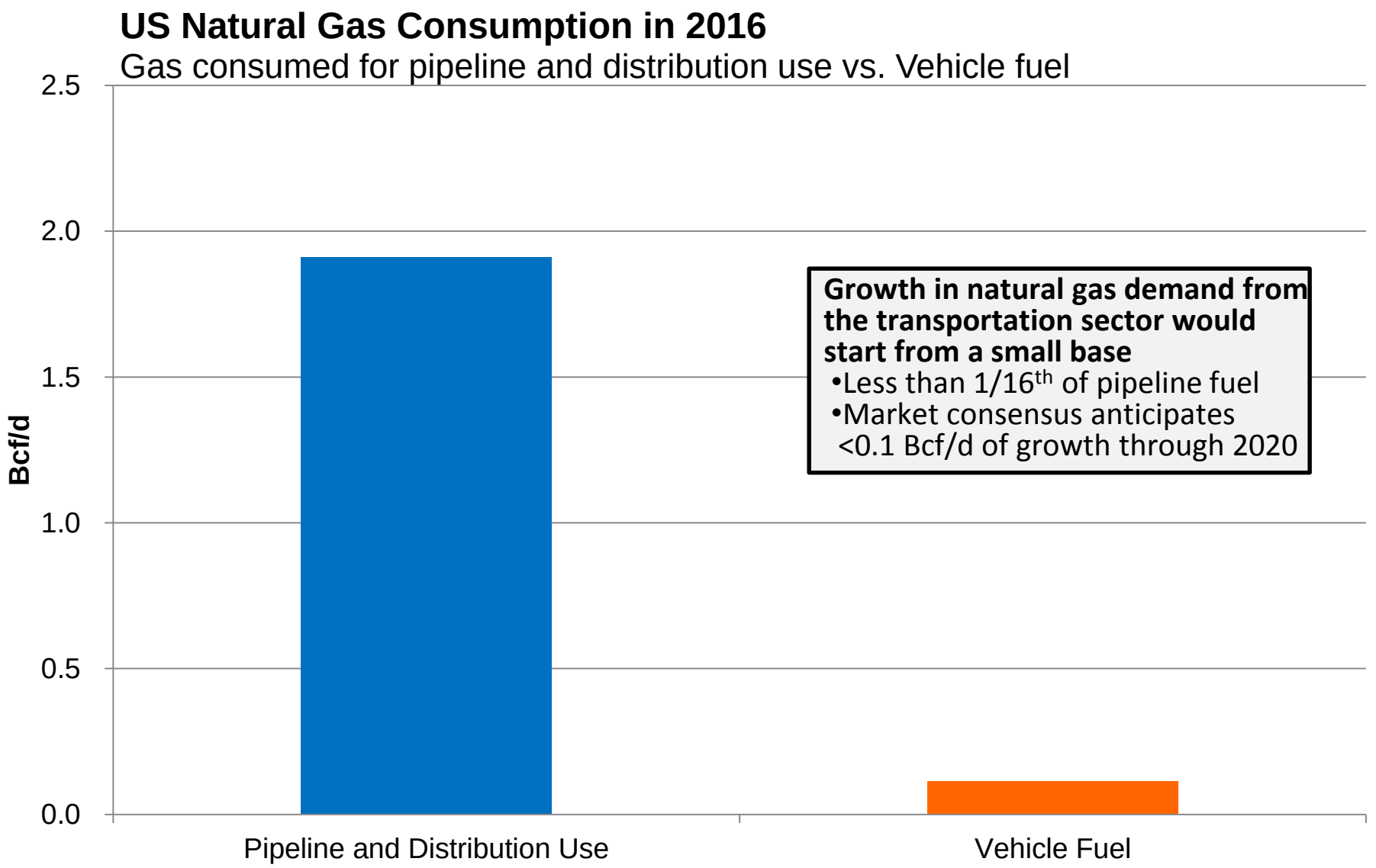
The US market for CNG is limited



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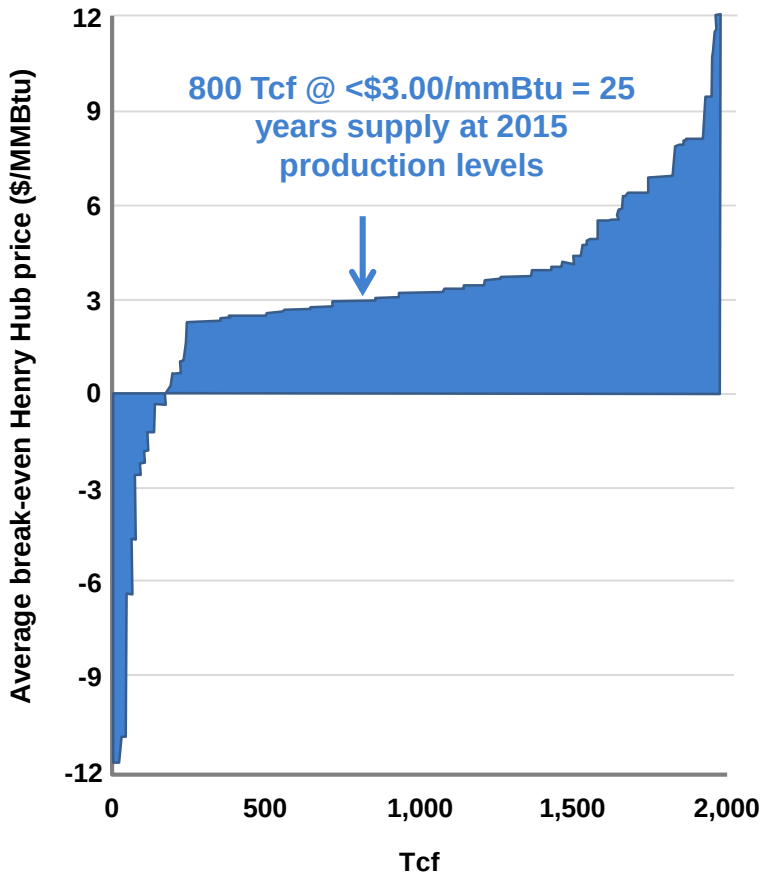
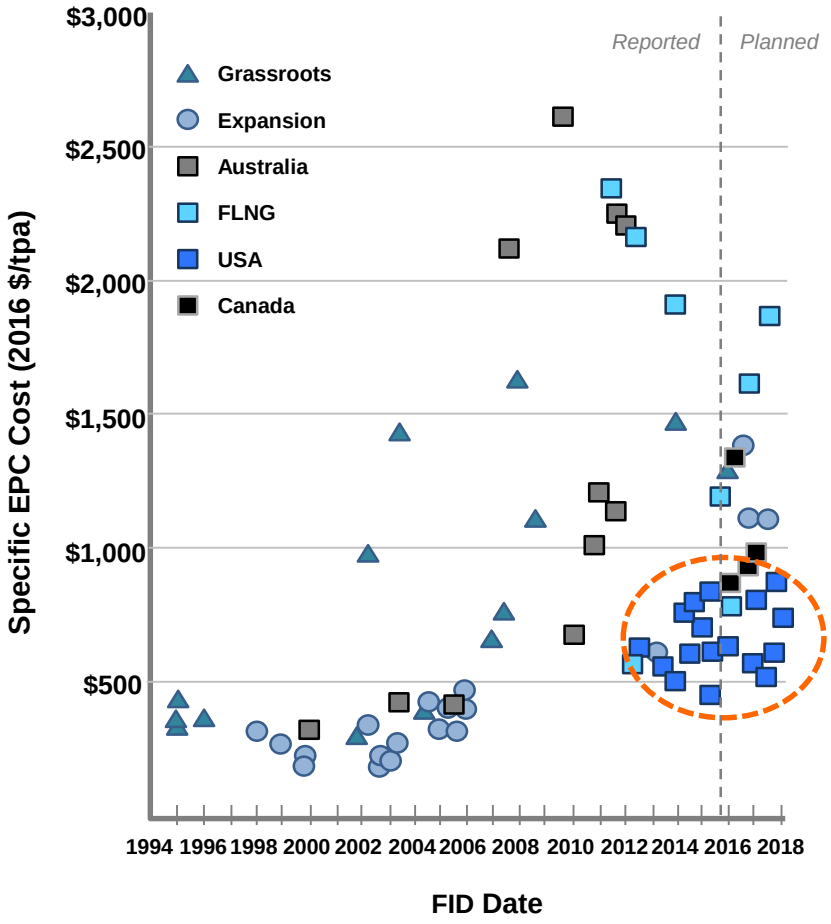
U.S. LNG Advantaged by Low Costs

Break-even price at Henry Hub for North American natural gas resources



Source: IHS Energy : Shale Gas Reloaded (2016)

Liquefaction plant EPC* costs



*Engineering, procurement and construction costs for liquefaction plant. Does not include upstream development, pipelines or financing and owner's costs.

Source: Poten & Partners

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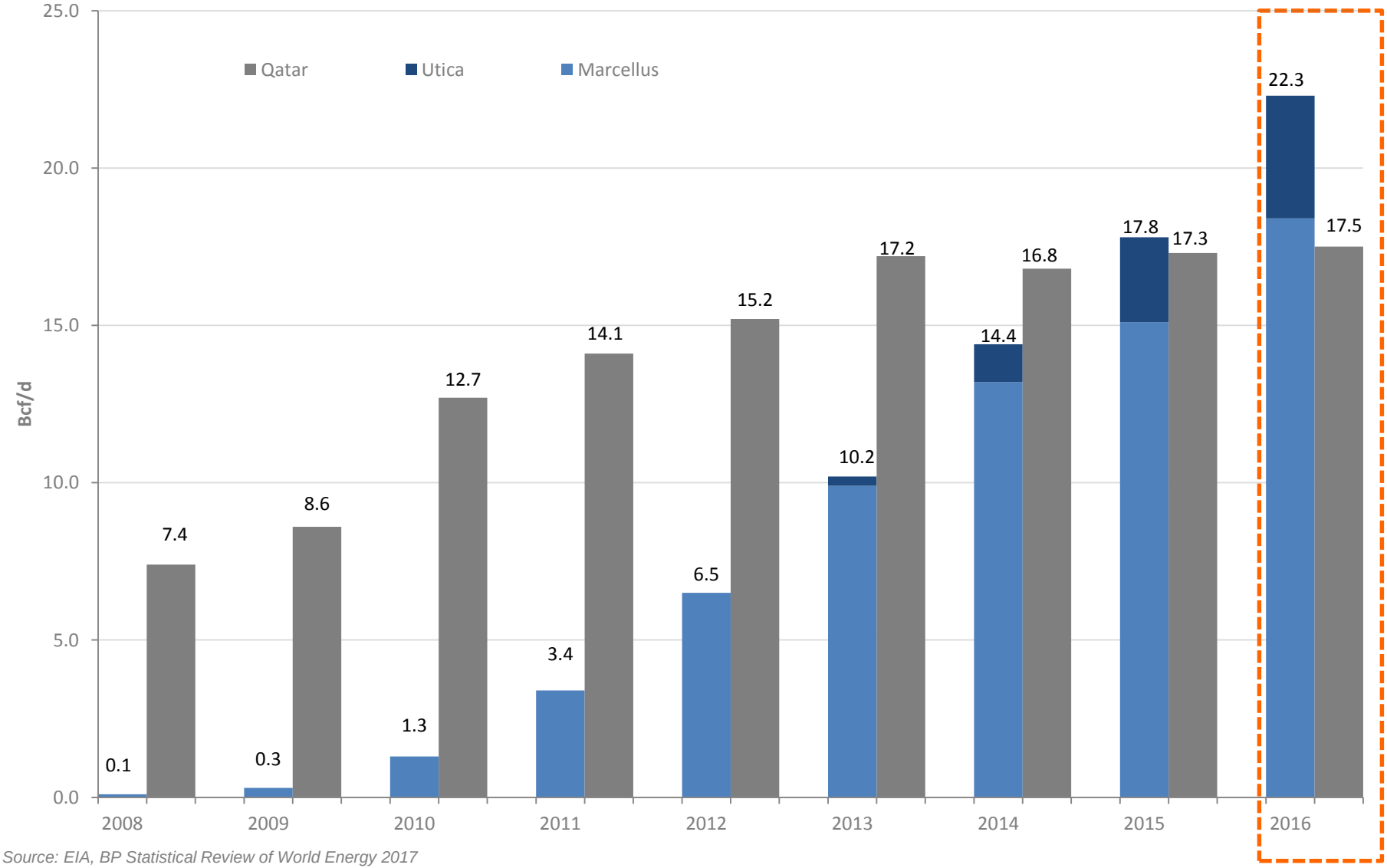
Marcellus and Utica Production Now Tops Qatar's



Source: EIA, BP Statistical Review of World Energy 2017

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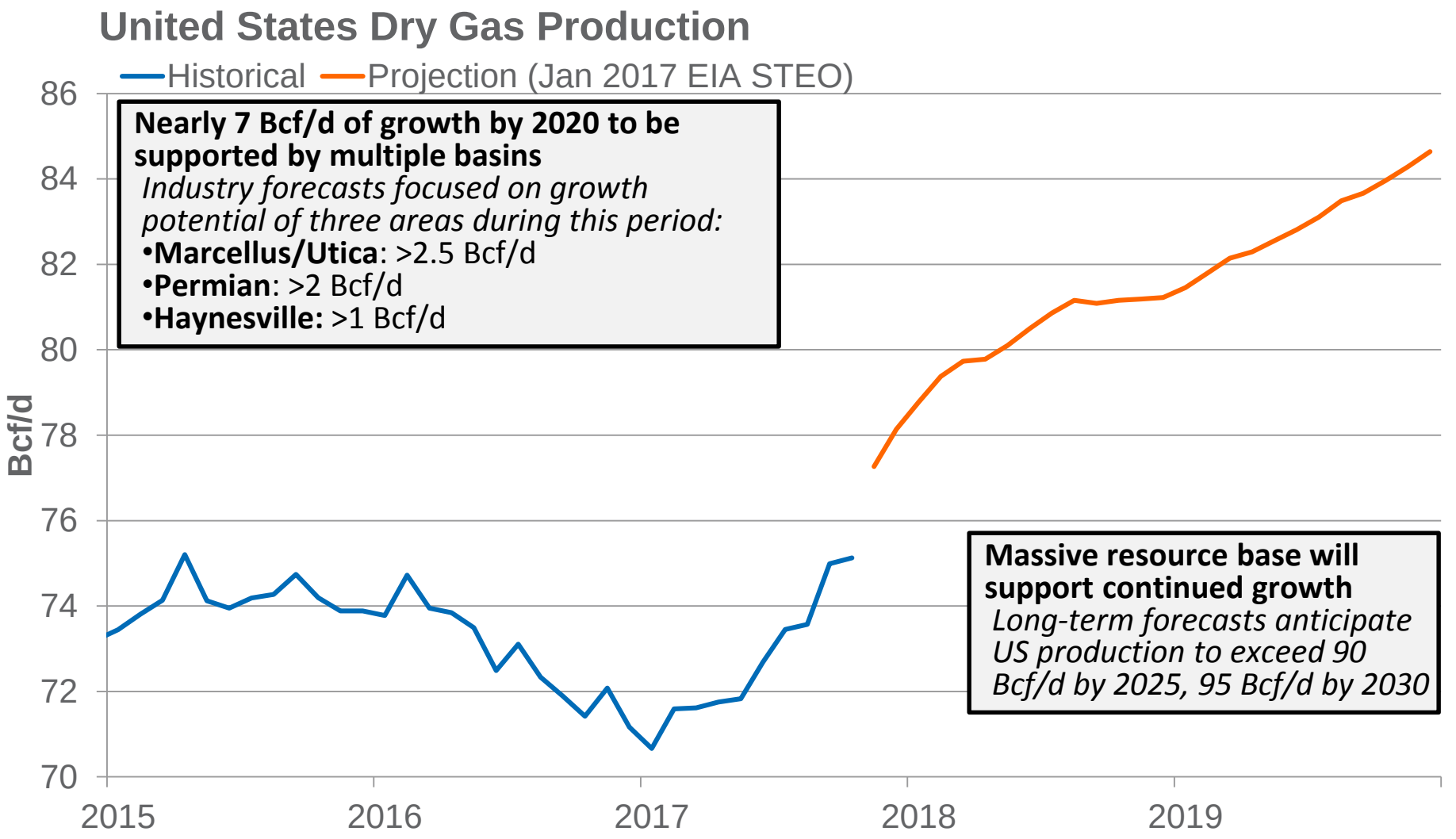
Robust US Production Growth is Expected to Continue



Sources: Energy Information Administration Historical Data (Jan 2015 through Oct 2017; January 2017 EIA Short-Term Energy Outlook (Nov 2017 through Dec 2019)

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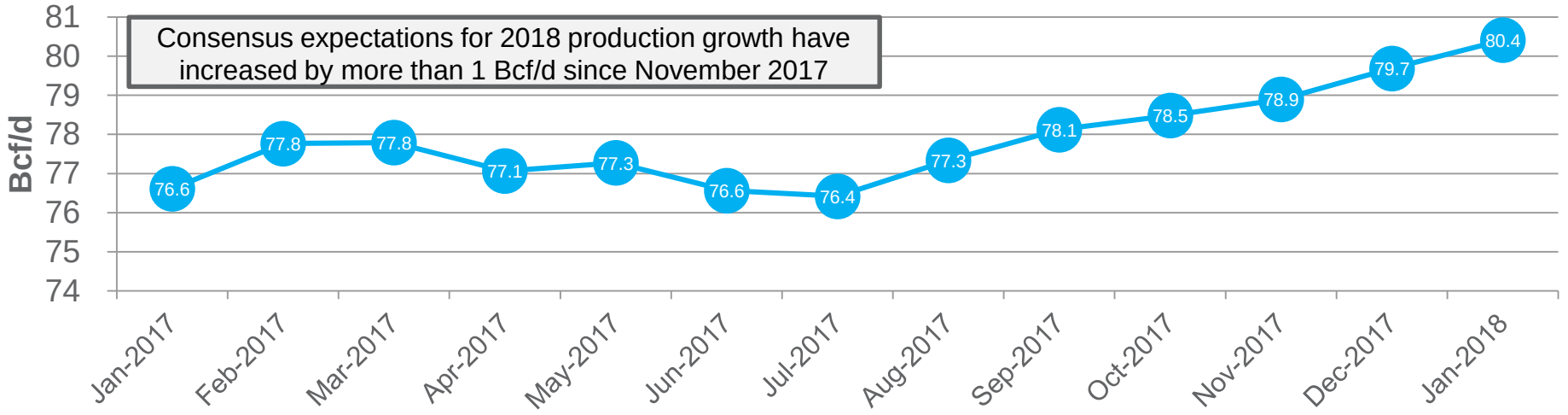
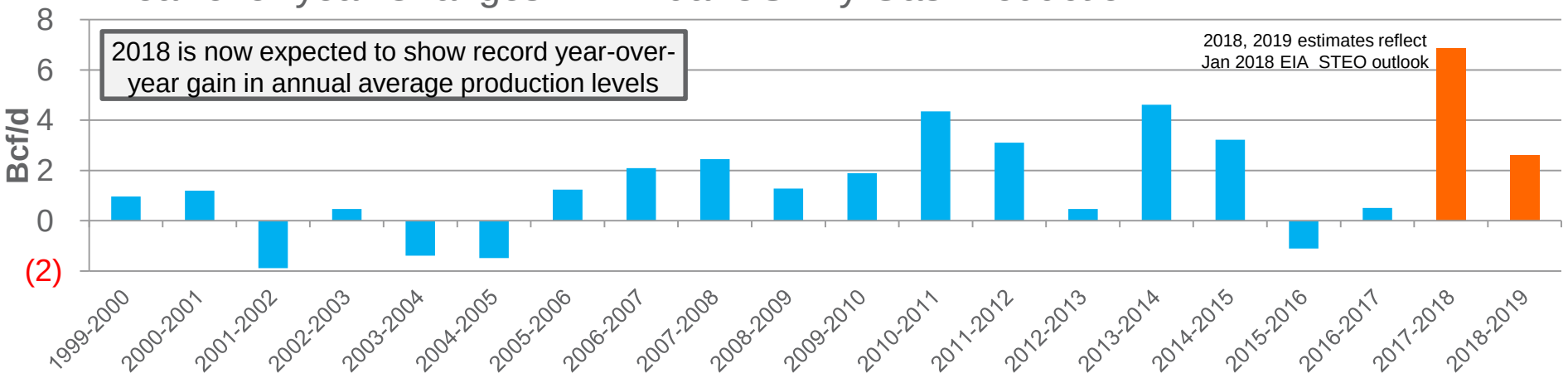
US Production is Expected to Experience Record Growth in the Near-Term

US Energy Information Short-Term Energy Outlook

Development of US average 2018 dry gas production forecast over time



Year-over-year Changes in Annual US Dry Gas Production



Sources: Historical EIA Data, 2018, 2019 estimates reflect January 2018 EIA Short-term Energy Outlook

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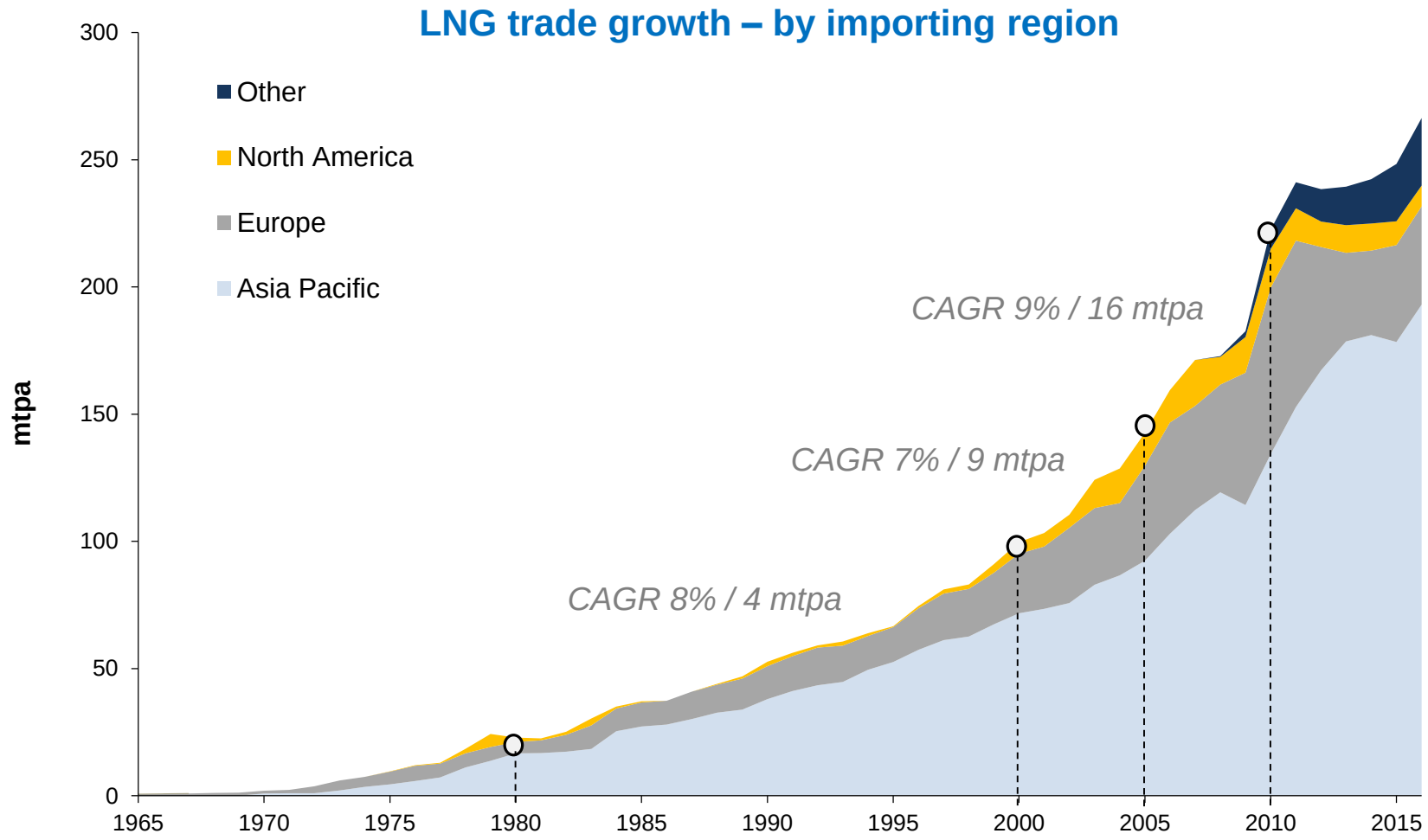
Sabine Pass First Cargo: 24th Feb 2016

LNG: A High Growth Industry



Source: IHS Markit (2017)

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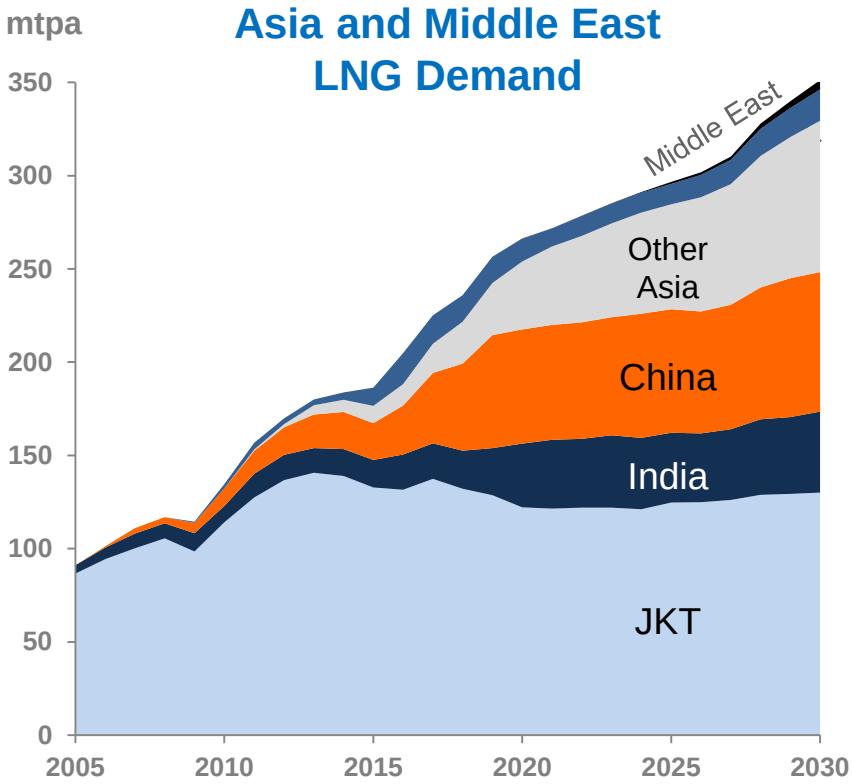
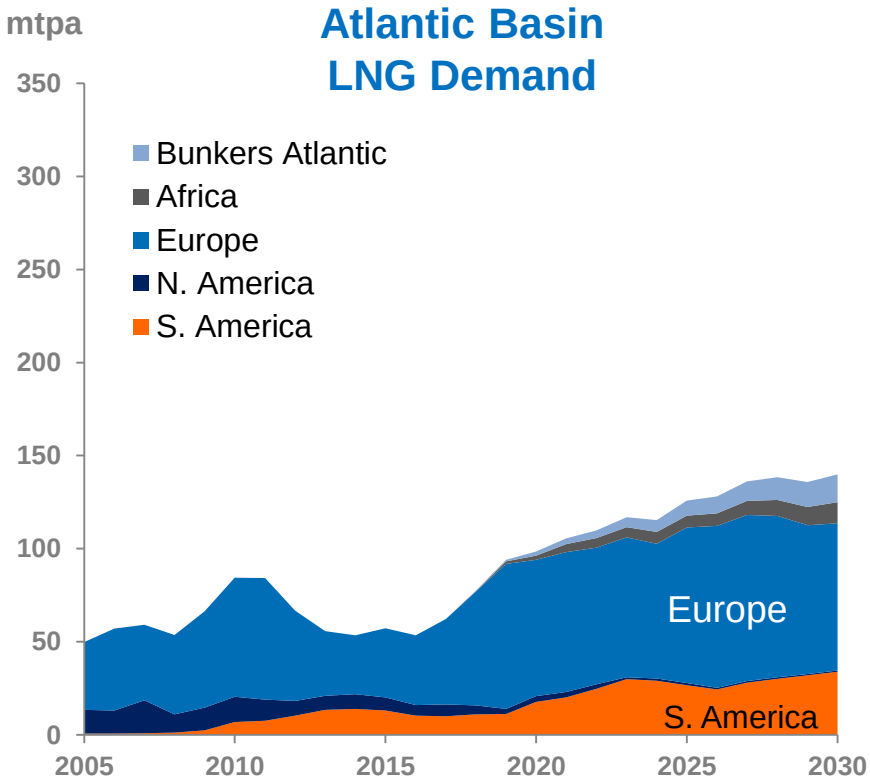
Emerging & New Markets Forecast to Underpin LNG Demand Growth

- Global LNG demand doubled since 2004 and is expected to grow at similar rates to 2030
- Asian markets will continue to anchor new LNG capacity, but focus changing
- Europe to play a growing role in balancing the market; its reliance on LNG expected to increase to manage declining domestic supplies, variability in pipeline imports and incent solid fuel displacement





Source: Cheniere Research, Cheniere interpretation of Wood Mackenzie data (Q4 2016)

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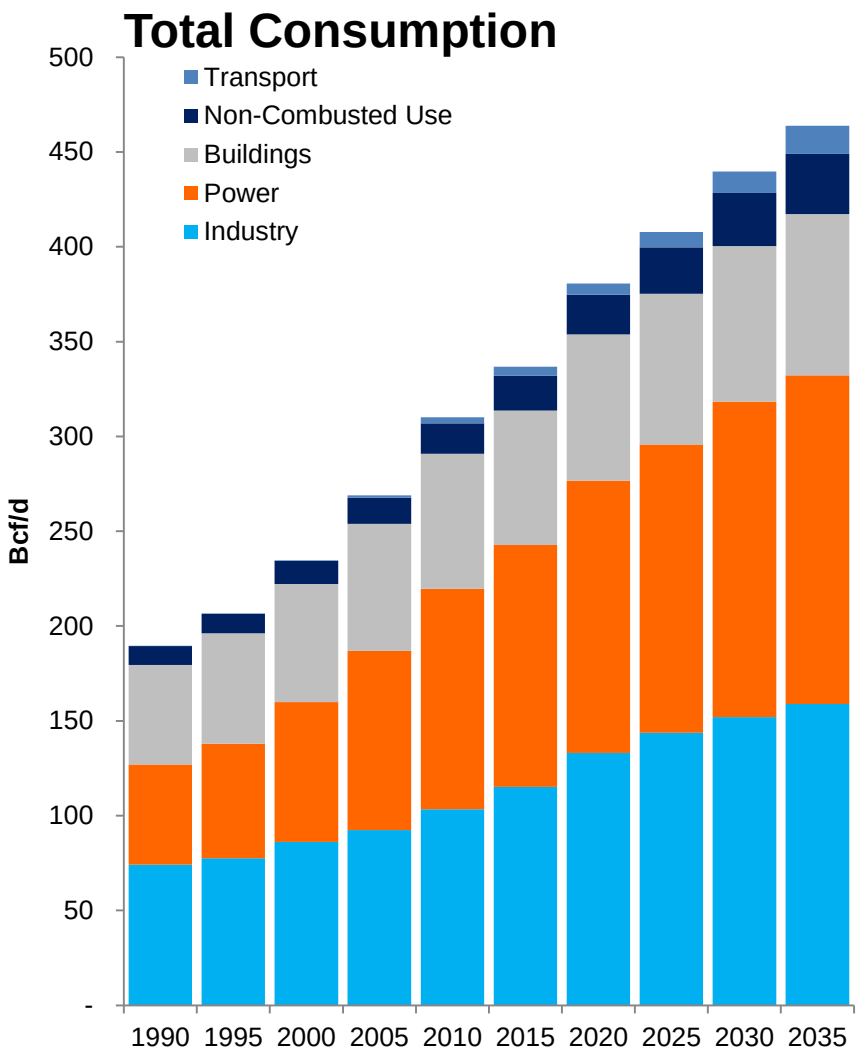
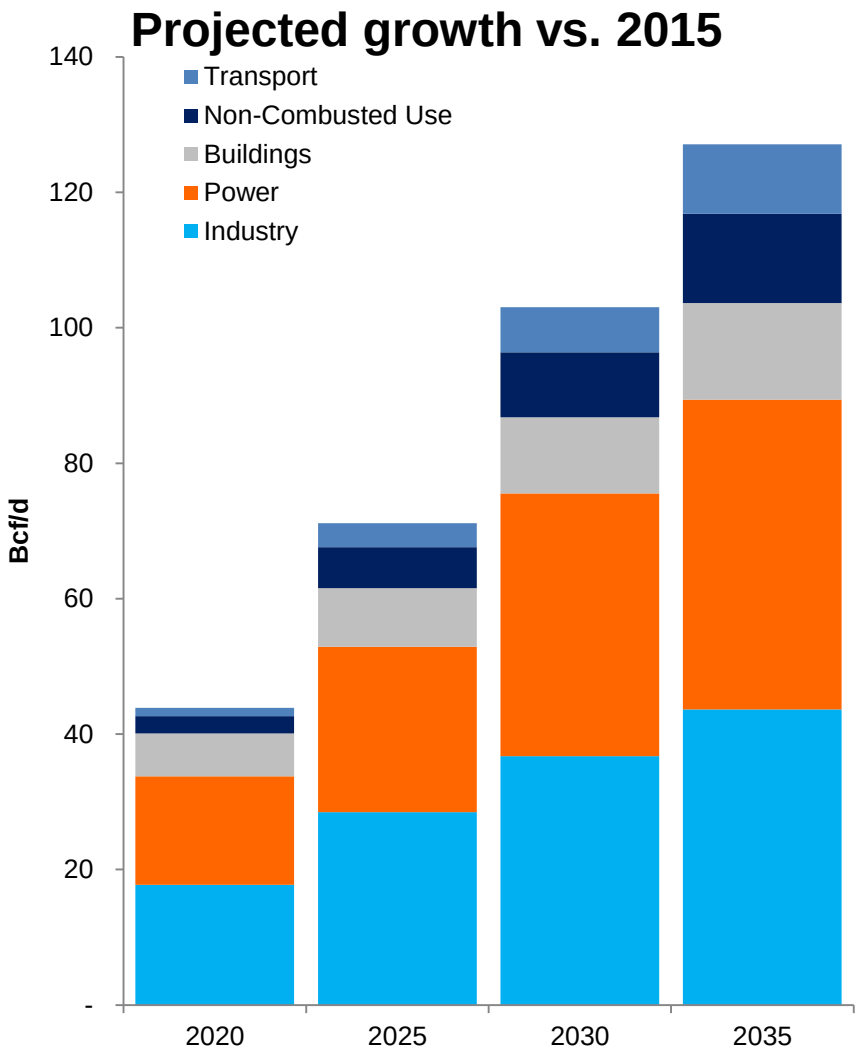
Global demand growth will be driven by power/industrial sectors
Expected to comprise 70% of total growth

Global gas consumption by sector *(BP Energy Outlook 2017)*





Source: BP Energy Outlook 2017

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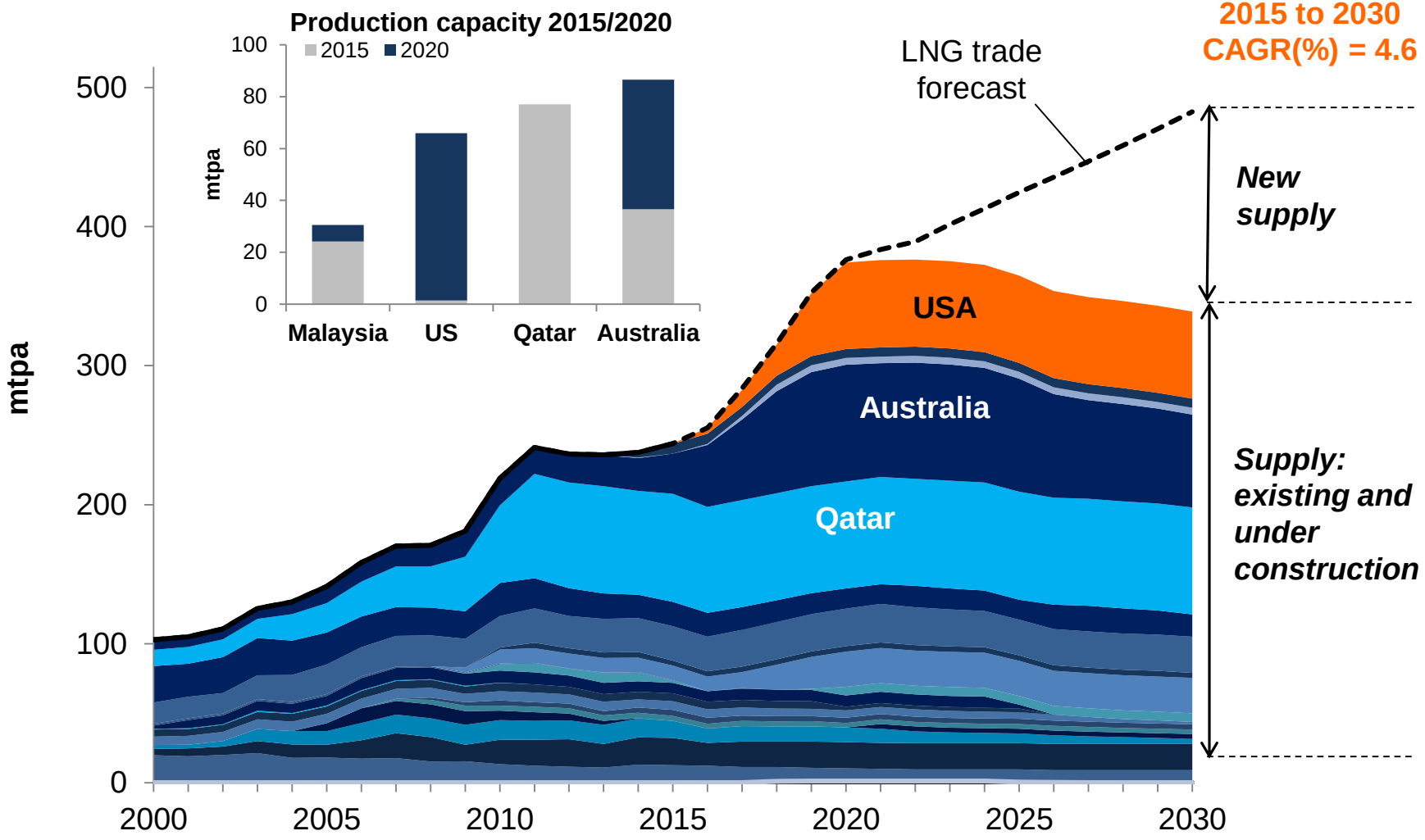
LNG Supply vs. Demand to 2030



Source: Cheniere Research estimates; Woodmac for historical figures

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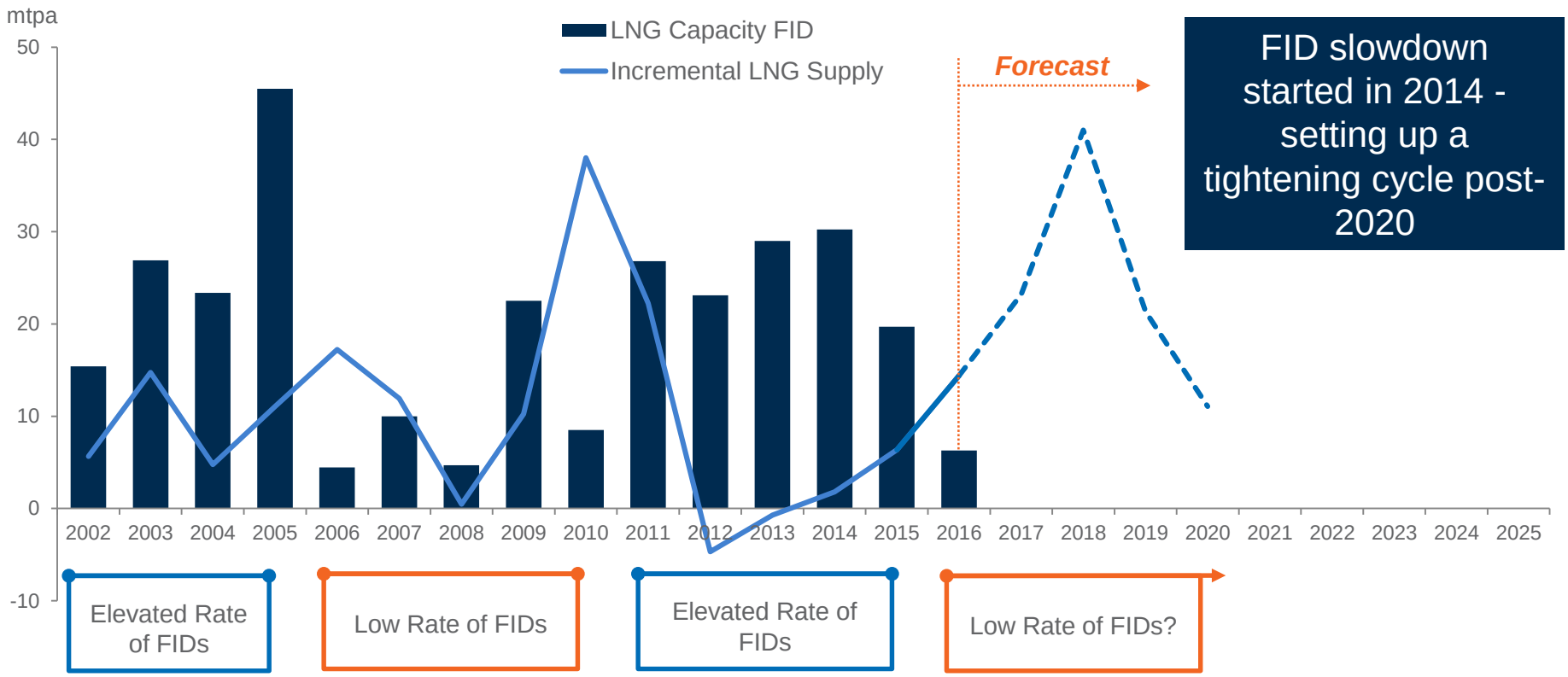
Cheniere Has Speed To Market Advantage as Balance Tightens



- LNG projects have long lead times from sanction to first LNG – generally 4-6 years
- Long lead time to new supply means once the market is tight it will take 4+ years for supply to adjust
- Cheniere ideally positioned with two fully-permitted trains

Source: Cheniere interpretation of Wood Mackenzie data (Q1 2017)

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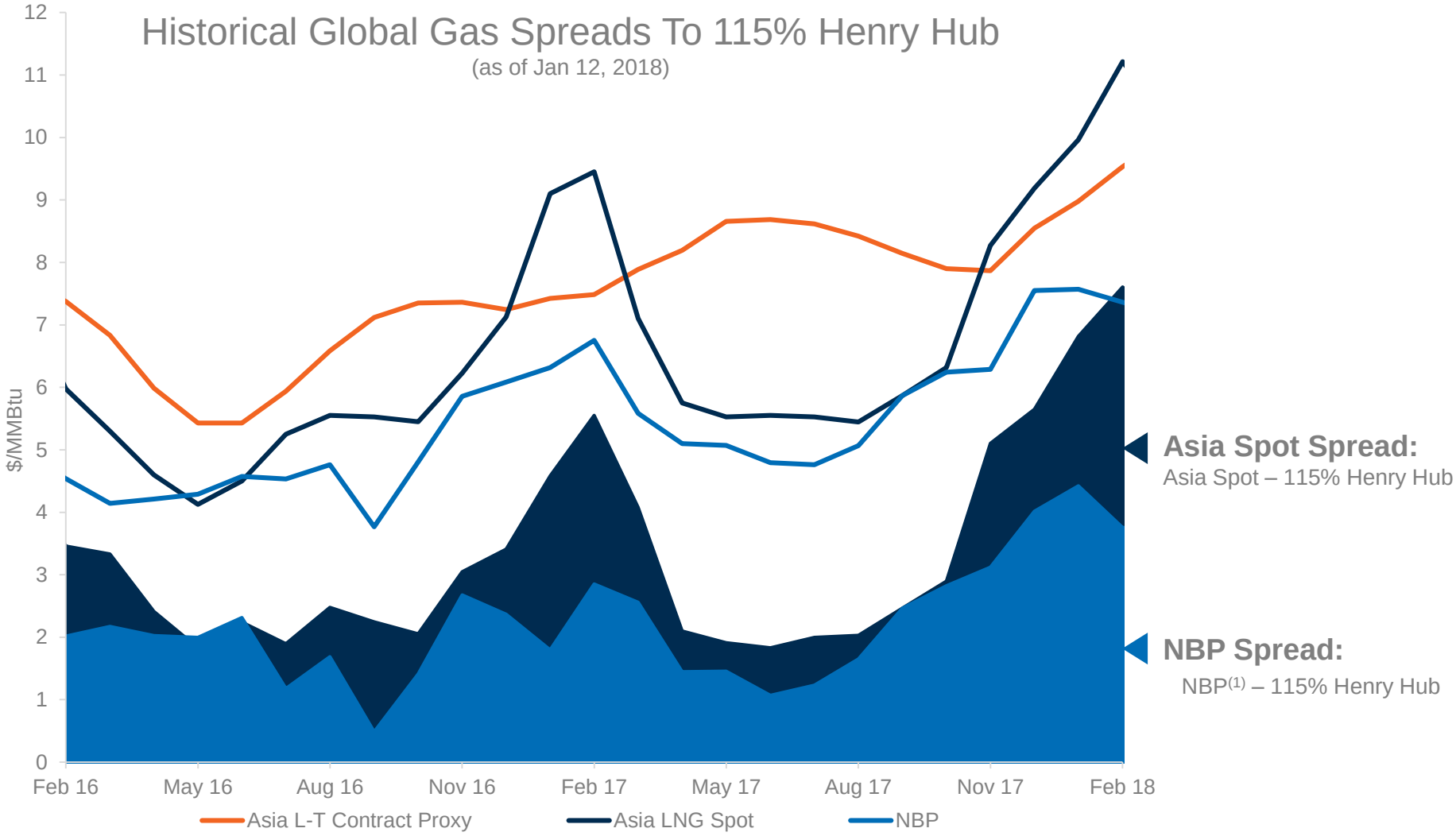
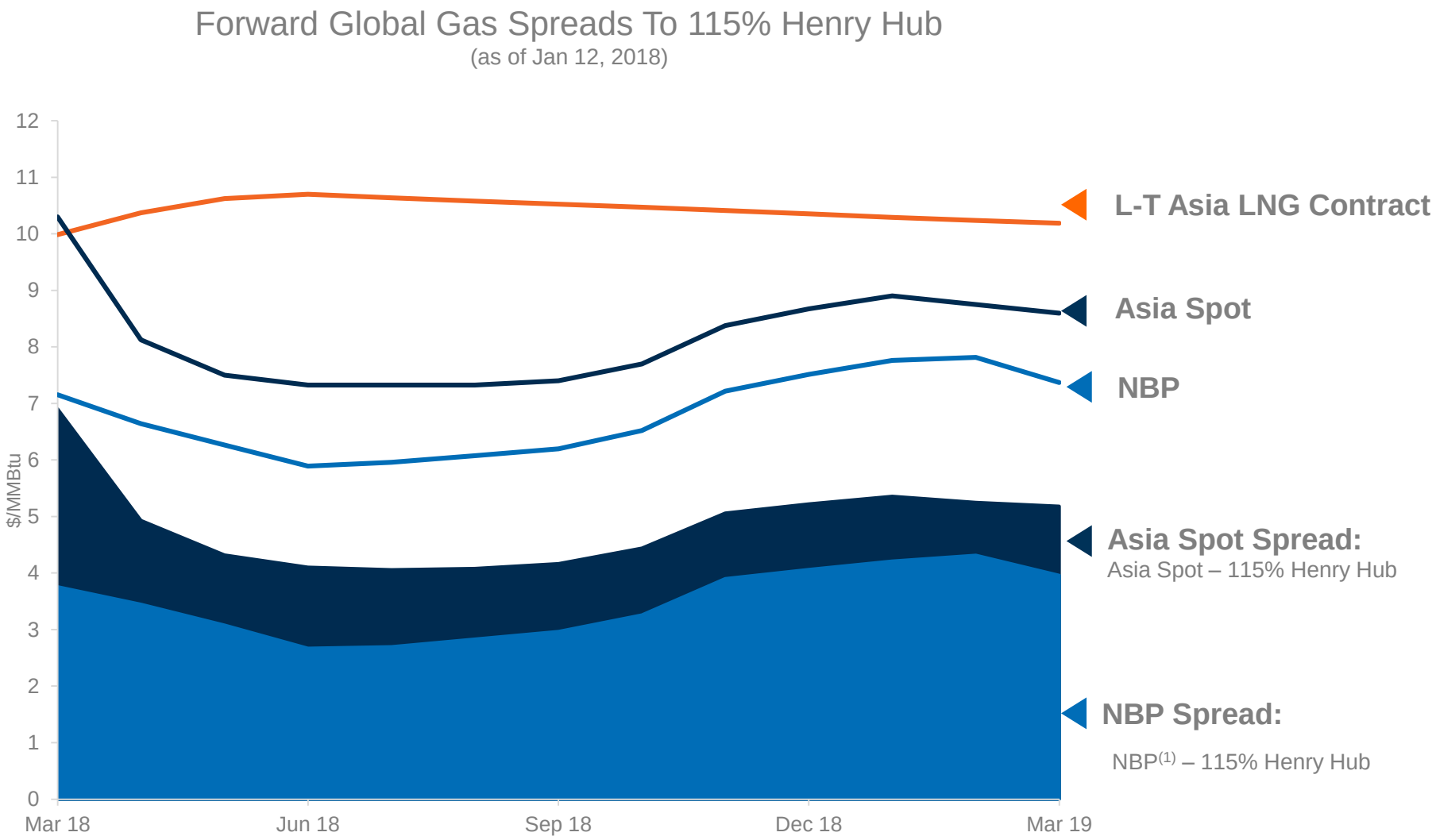
Spreads to Asia and Europe have recently widened



Note: Asia L-T Contract Proxy = 14.85% Japan Crude Cocktail (3-month average)+ $0.50/MMBtu; NBP is a LNG delivered representation of NBP, which discounts the futures price by $0.30/MMBtu to reflect a UK LNG import terminal regasification fee

Source: CME, ICE, Platts, Japan Ministry of Finance, Cheniere Research

Forward spreads continue to support the call on US LNG



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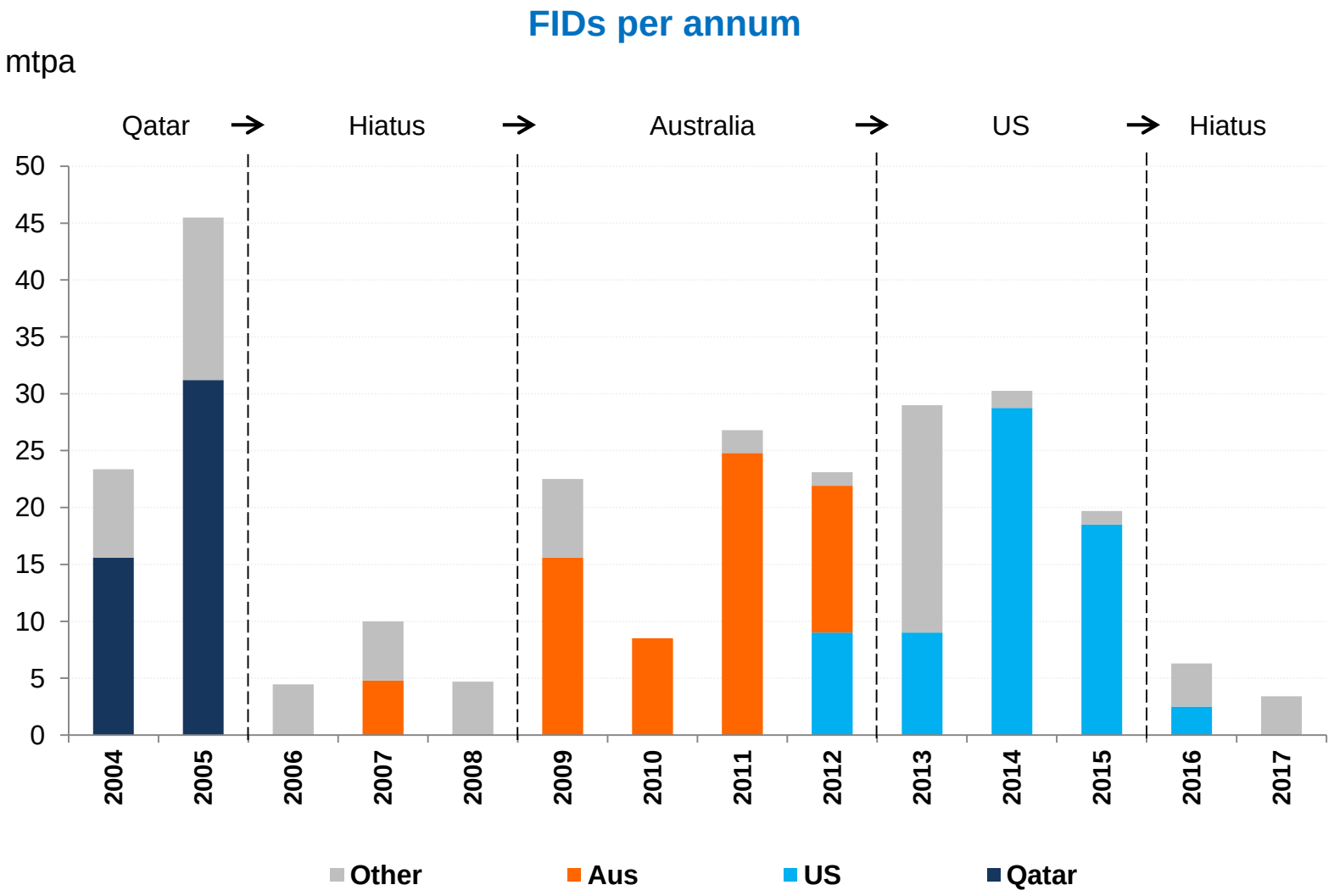
Sabine Pass First Cargo: 24th Feb 2016

Takeaways

- Cheniere has a world-class integrated platform and is shovel-ready to construct additional liquefaction capacity
- Growing LNG exports will drive the near-term development of the US gas economy, supported by ample capacity for production growth
- The global market outlook and forward spreads suggest point to a growing call for additional US supply

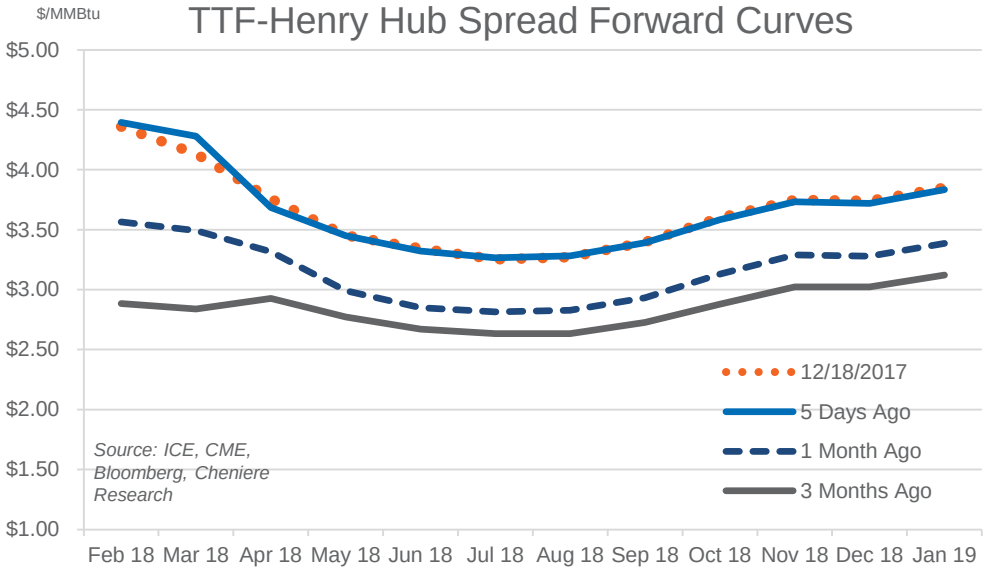
Appendix

Slowdown in FIDs

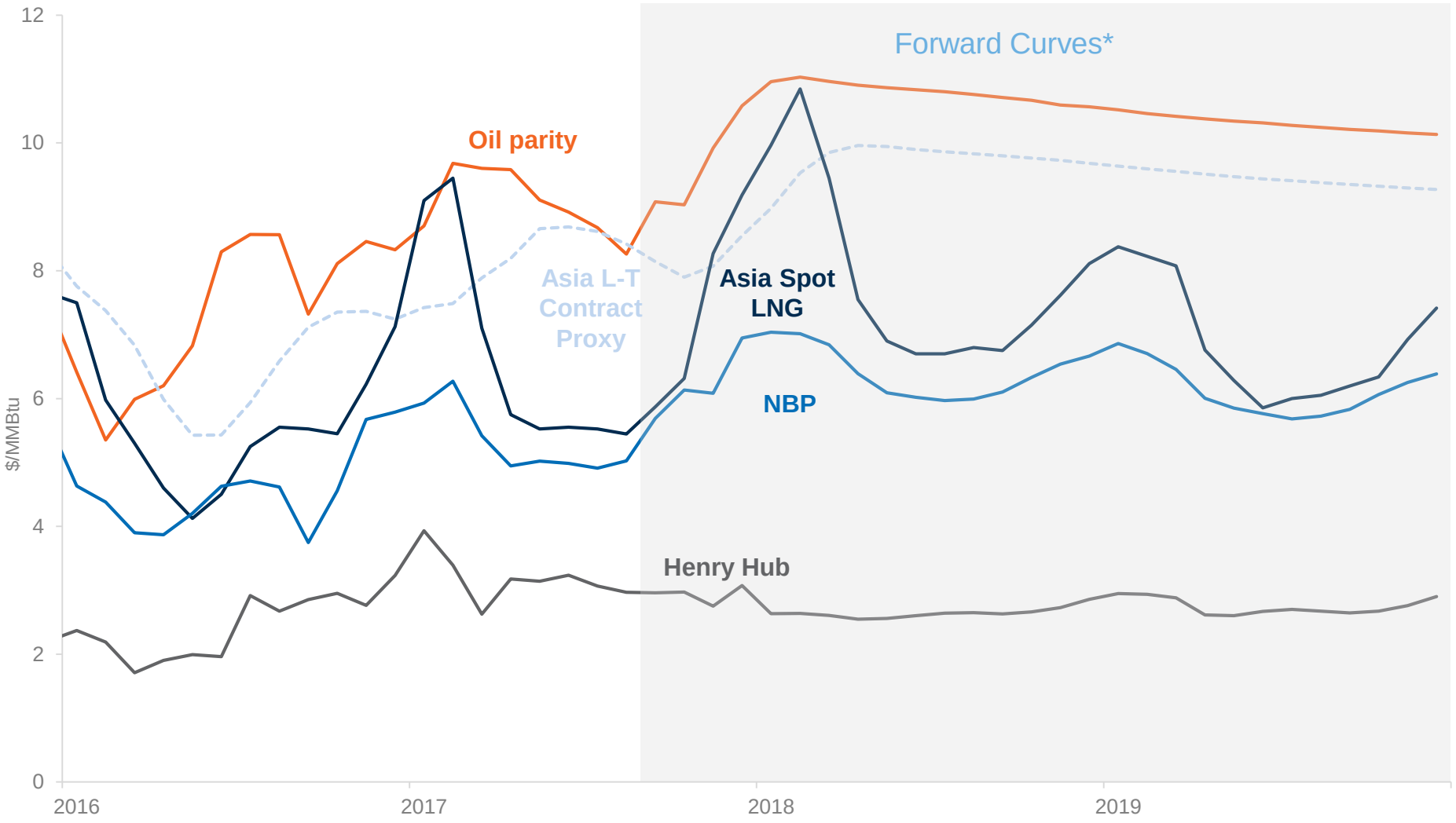


Source: Cheniere interpretation of Wood Mackenzie data (Q1 2017)

CHENIERE


$/MMBtu
TTF-Henry Hub Spread Forward Curves
$5.00
$4.50
$4.00
$3.50
$3.00
$2.50
$2.00
$1.50
$1.00
Feb 18
Mar 18
Apr 18
May 18
Jun 18
Jul 18
Aug 18
Sep 18
Oct 18
Nov 18
Dec 18
Jan 19
12/18/2017
5 Days Ago
1 Month Ago
3 Months Ago
Source: ICE, CME, Bloomberg, Cheniere Research

Global Gas Price Overview



Note: Asia L-T Contract Proxy = 14.85% Japan Crude Cocktail (3-month average)+ $0.50/MMBtu;

Source: Bloomberg, CME, ICE, Platts, Japan Ministry of Finance, Cheniere Research

** Forward curves and the 2018 Cal, Winter and Summer strips represent prices on 12/18/17*

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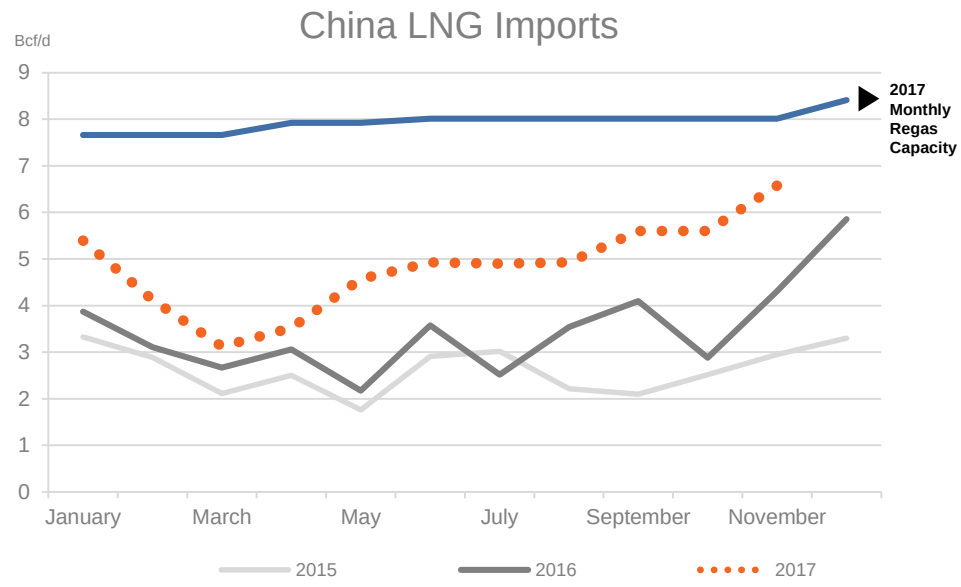
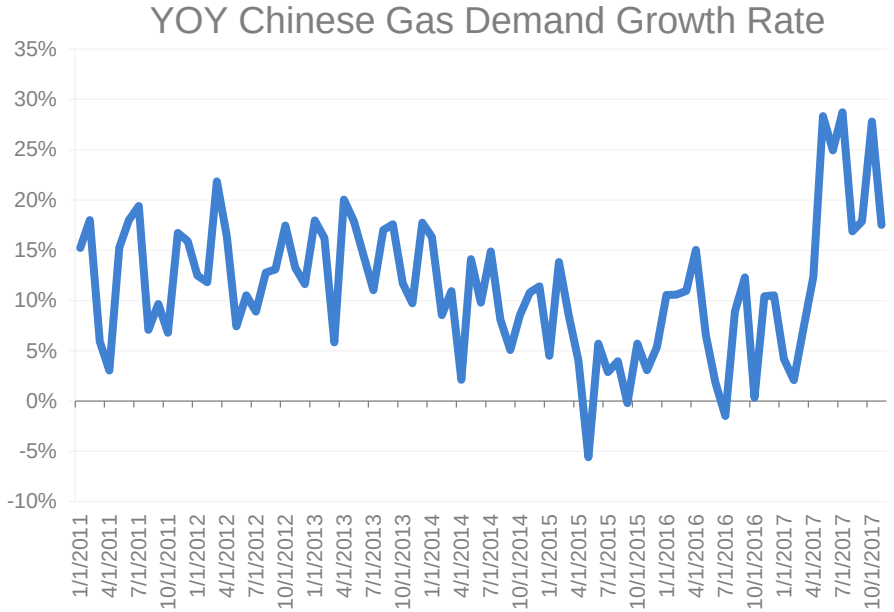
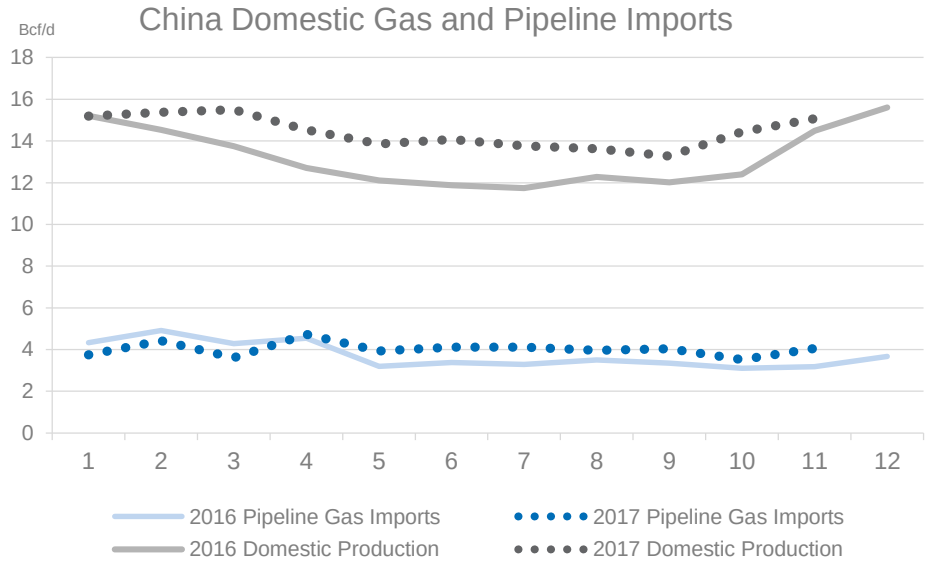
Market Commentary – China







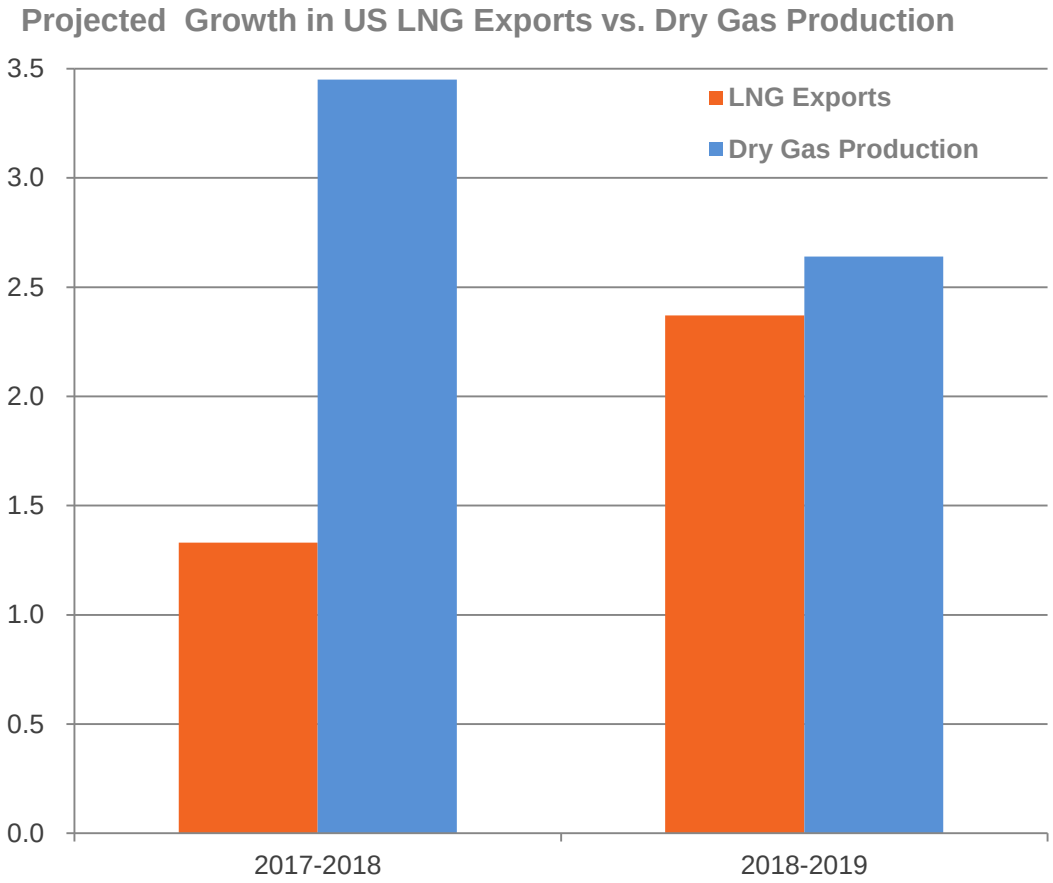
- China's aggressive coal-to-gas switching movement caused natural gas demand to skyrocket during the current winter season, resulting in a supply crunch
- With ~3.4 Bcf/d of incremental gas demand from Jan-Nov 2017, China's gas consumption grew ~17.5% yoy to more than 25 Bcf/d
- Growth was mainly satisfied by LNG imports, which grew more than 48% yoy through Nov. At ~5.9 Bcf/d in Nov, LNG imports grew 52.5% yoy
  - Piped imports grew only ~7.8% on the year, while domestic gas production grew almost 11% for the Jan to Nov period

Source: SIA Energy, NDRC, Cheniere Research

US Production Can Support Rising LNG Exports

Dry gas production growth is expected to outpace LNG exports through 2019

- **US LNG export capacity could reach nearly 9 Bcf/d by late 2019/early 2020**
  - With capacity currently in-service and under construction
- **Exports will be well supported by growing production uninhibited by infrastructure constraints**
  - Marcellus, Utica expected to gain up to 13 Bcf/d of market access through pipeline capacity additions by the end of 2019
  - 10+ pipeline projects have been proposed to transport Permian production to Texas markets
  - Haynesville production has ample access to market with existing pipeline capacity



Sources: Energy Information Administration Annual Energy Outlook 2017, Cheniere Research

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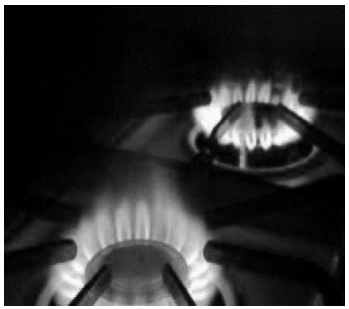
CenterPoint Energy
Natural Gas Customer Symposium

Mexico's Natural Gas Market

February 2018







Confidential

1

Alfa

Alfa: Top industrial in Mexico

- Among first industries established in Monterrey, MX in the 1800's.
- Income 2017e US $16.2 billions
- EBITDA 2017e US $2.2 billions
- +81,000 employees
- ~ 65% de of sales outside México
- 130 industrial facilities in 28 countries

Alpek

One of the world's largest producers of polyester (PTA, PET and fibers) and other petrochemicals.

Nemak
Innovative Lightweighting

World leading aluminum autopart provider in the industry.

Sigma alimentos

One of Mexico's top producer, marketer and distributor of foods (processed meats, dairy).

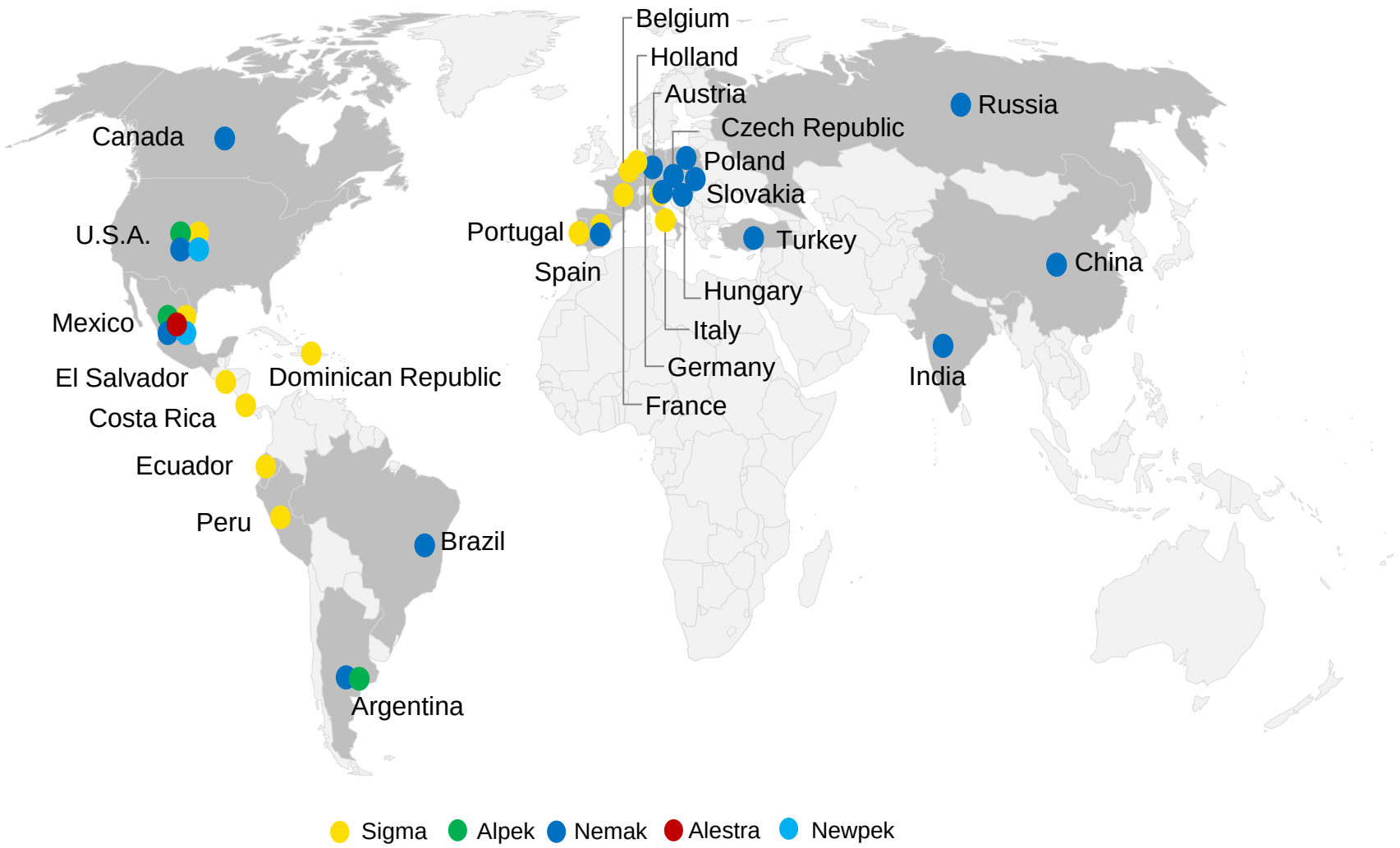
axtel

Top 3 IT player in the Mexican market.

Newpek

A leading Mexican company in the hydrocarbons industry in Mexico and the US.

Global footprint



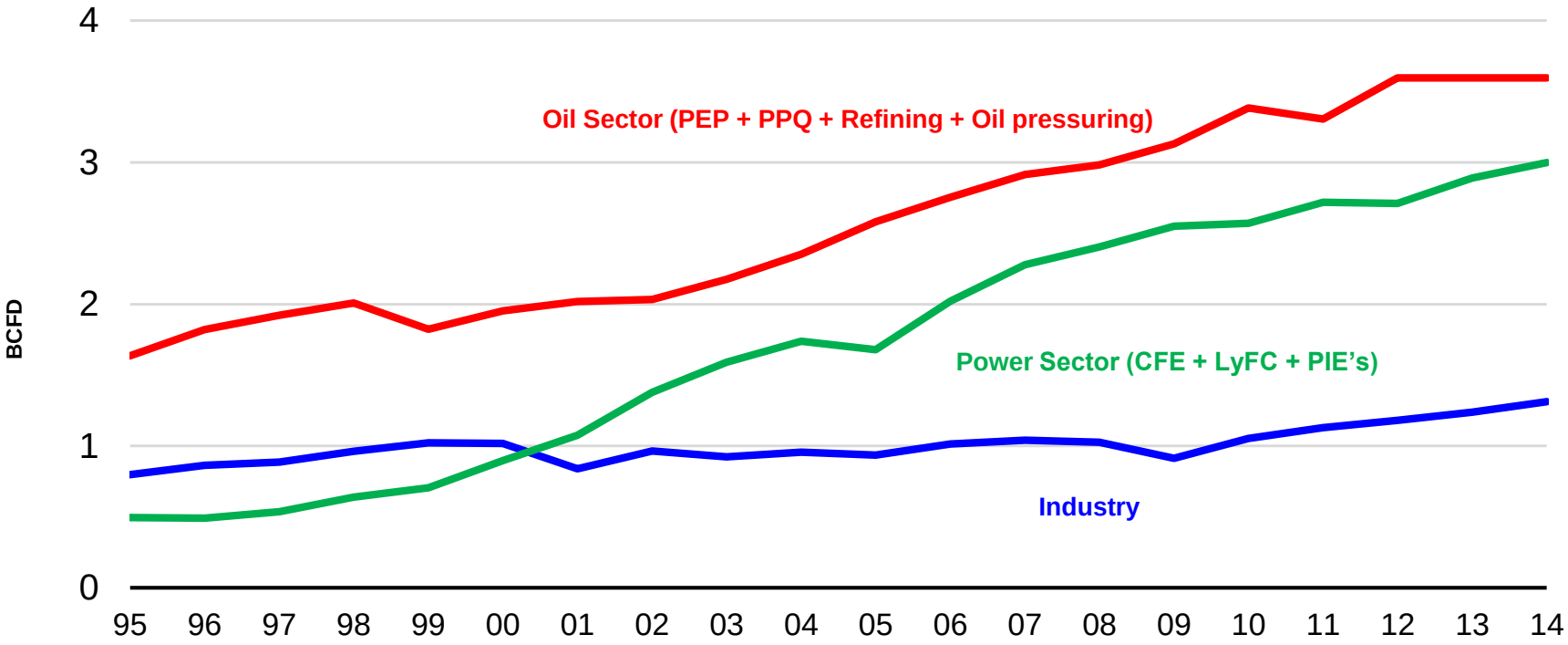
Long tradition in Energy

- 1st long-haul US-Mexico natural gas pipeline to supply Monterrey's industrial and residential markets.
- 1st private company generating power for 3rd parties.
- 1st Mexican company operating in Upstream in the US (Eagle Ford).
- 1st Mexican company to be awarded services contracts in Mexico (Upstream).
- 1st Mexican large consumer operating in Upstream in Mexico.

Confidential

2 Market

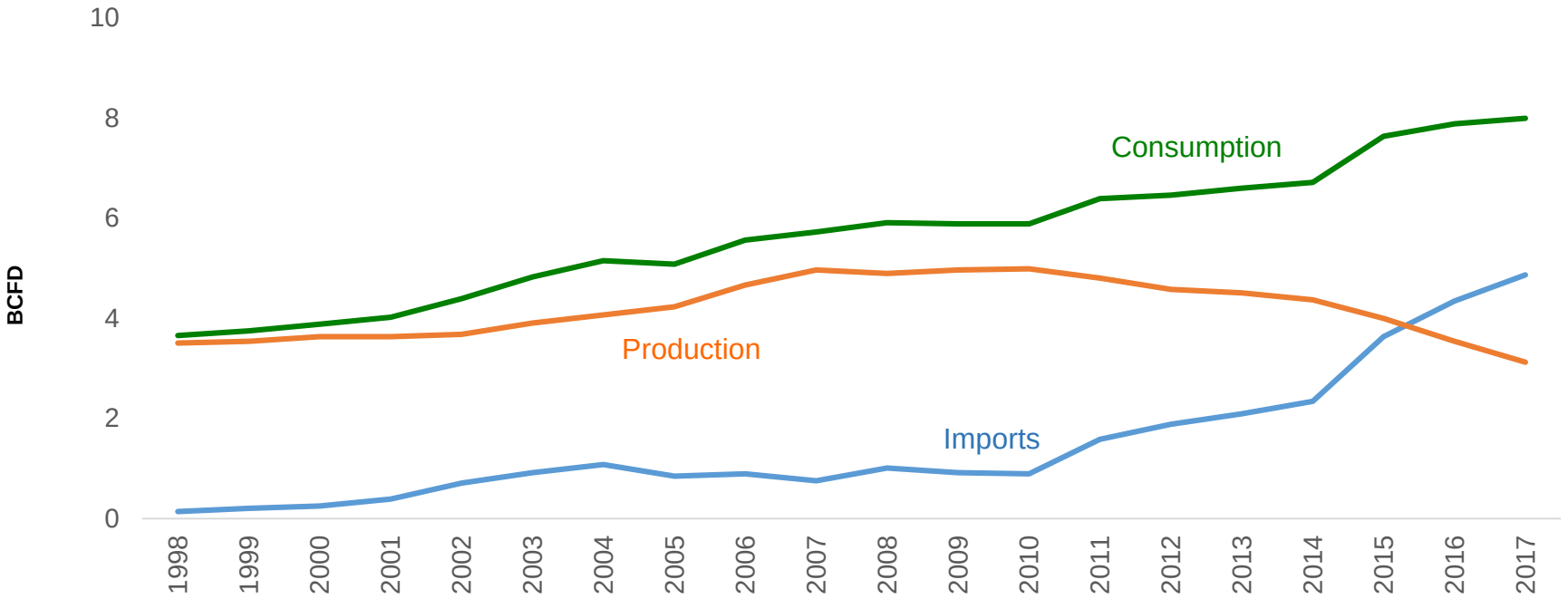
Mexico’s consumption profile



Source: Memoria de Labores de Pemex Gas y Petroquímica Básica;
Prospectiva Mercado de Gas 2010-2025 de SENER.

Confidential

Mexico’s gas balance



Source: Prontuario de gas natural Reporte diciembre 2017.

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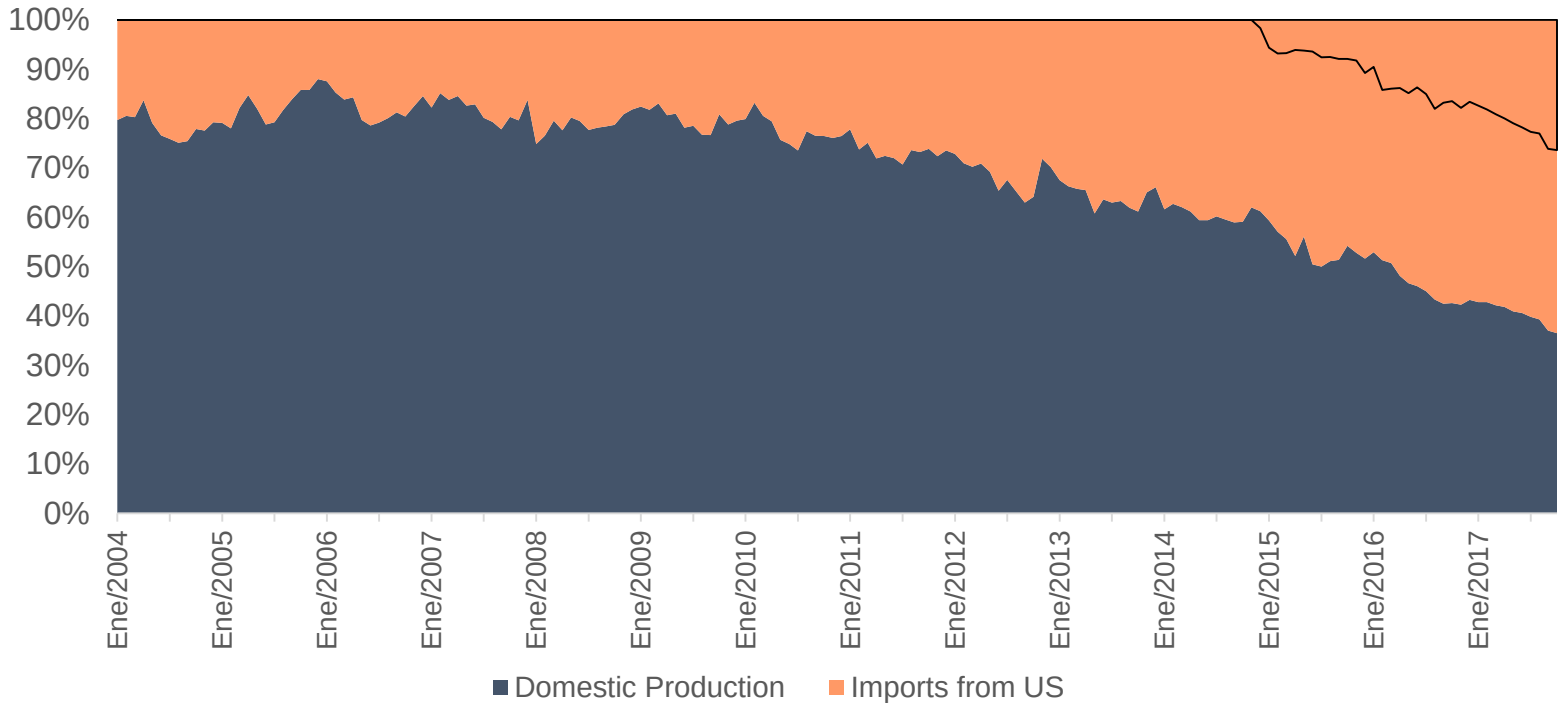
NG supply by source



Source: SENER, CENAGAS

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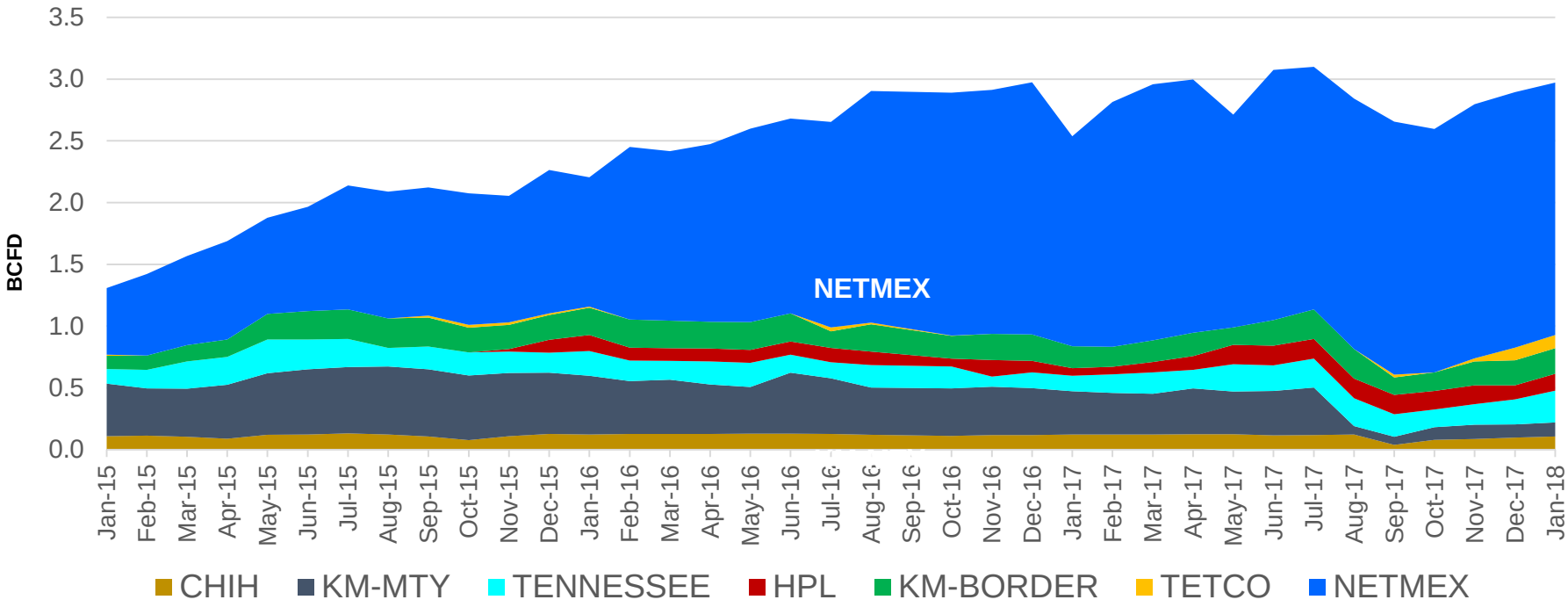
US exports to Mexico*



Source: CENAGAS

* Ex CFE Northwest system

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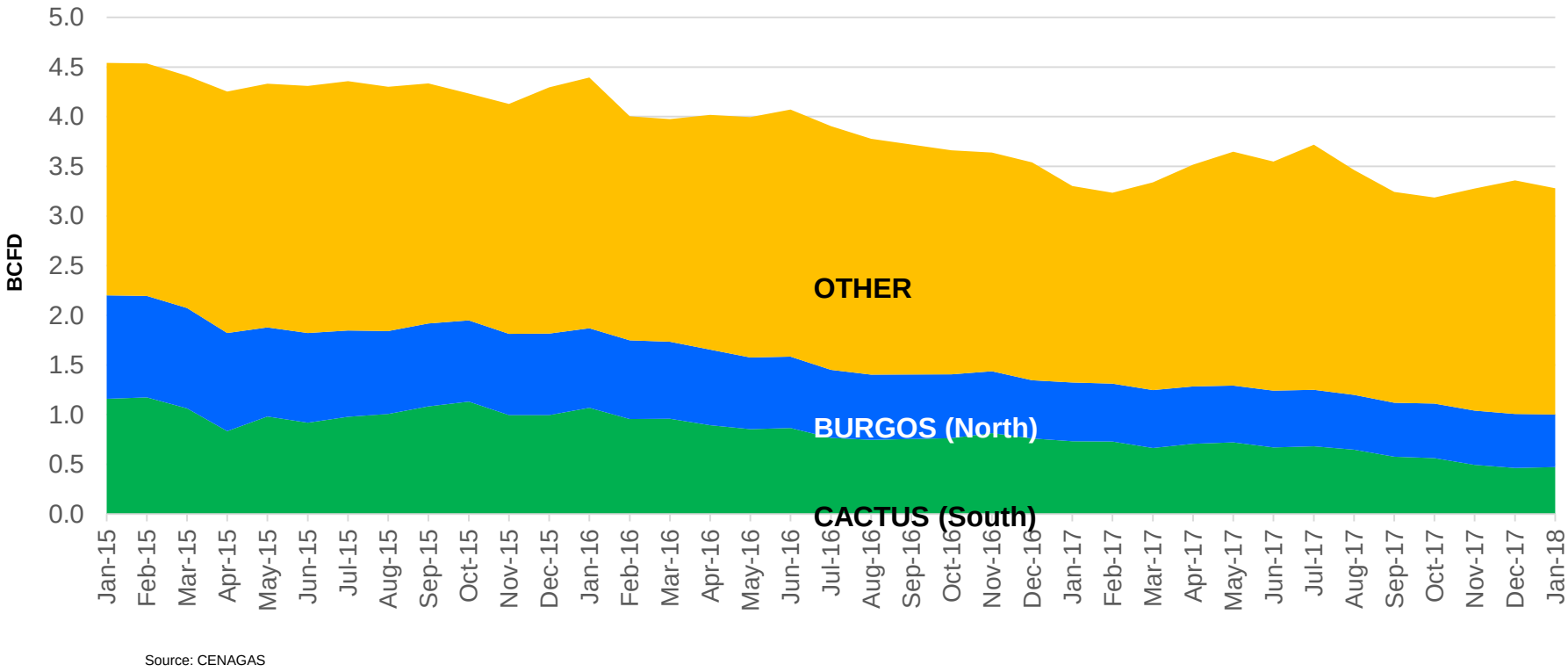
Domestic production



Source: CENAGAS

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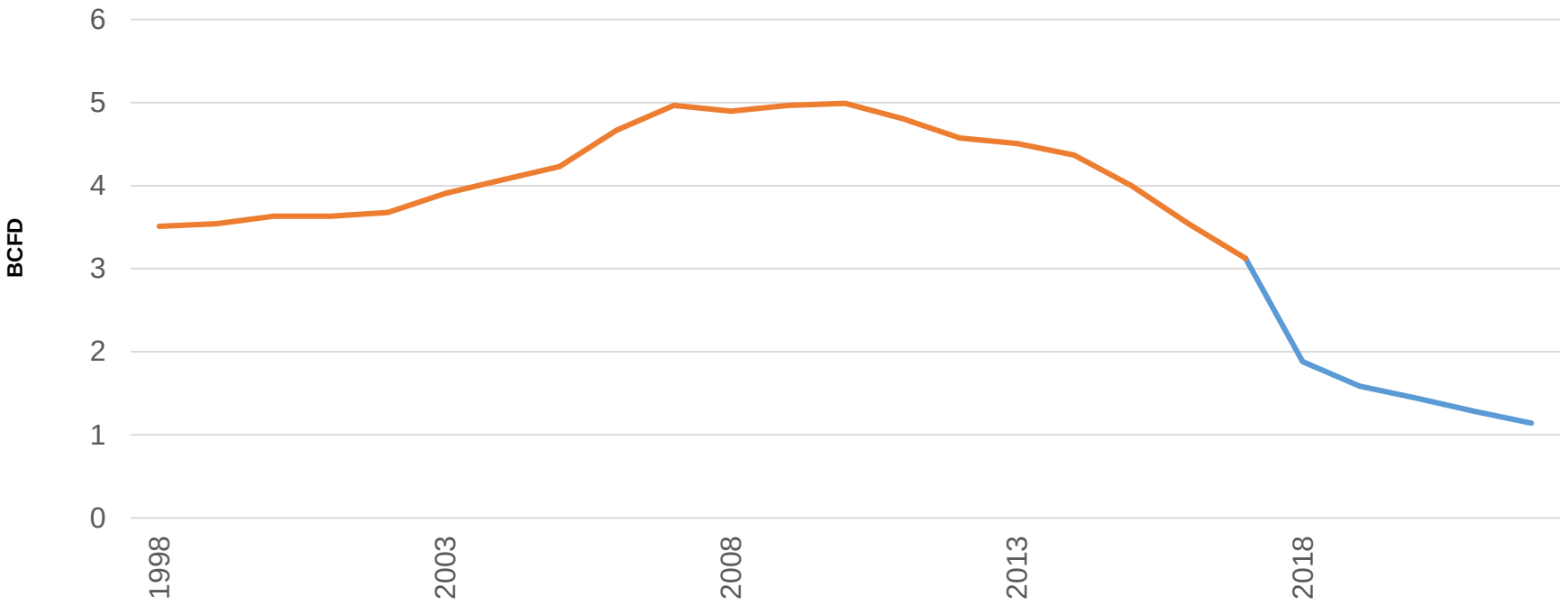
Domestic production



Source: Prontuario de gas natural Reporte diciembre 2017.
Sistema de Información Energética (SIE)

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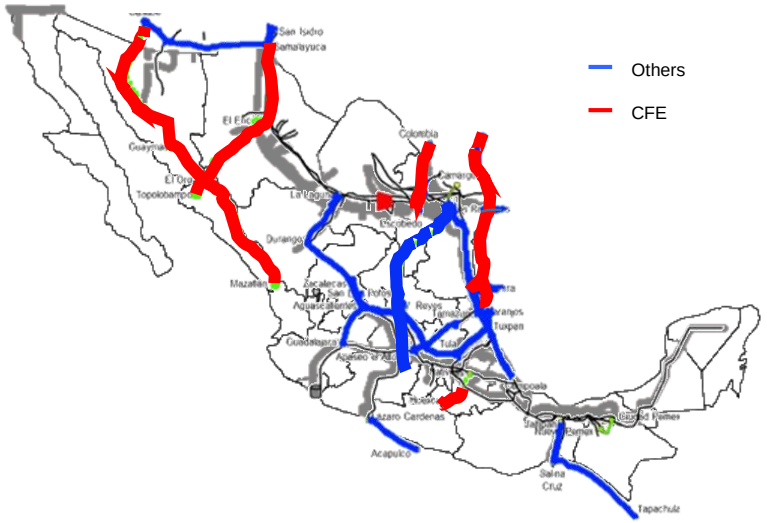
CENAGAS Five-Year-Plan (2015-2019)

Before

After



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CENAGAS

- Created on August 28th, 2014.

- Its mission is to procure, manage, and operate the National Transportation and Storage System and **its goal is to secure the continuity and safety of natural gas supply**.

- Allow, facilitate and integrate US natural gas exports
- Invest in new infrastructure to supply natural gas in all the territory.
  - Supply South with imported continental gas. Not LNG.

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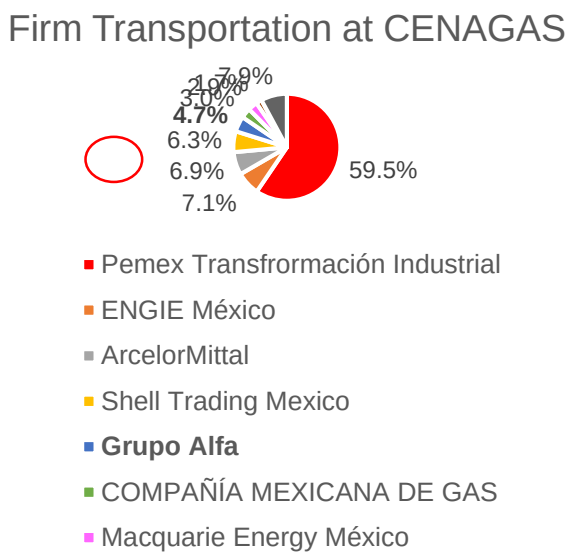
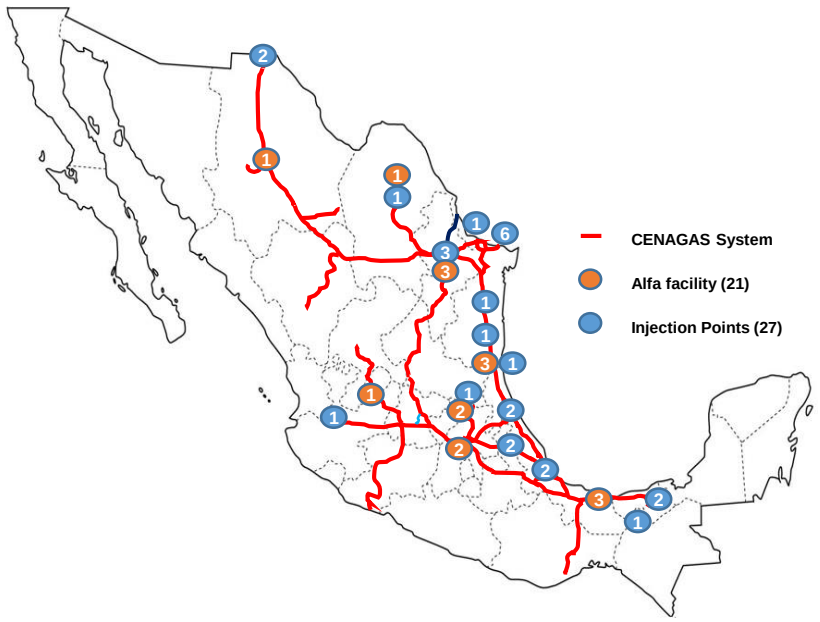
2016 CENAGAS Open Season

Alfa participated directly in the open season (no marketer), having the option to choose marketers afterwards





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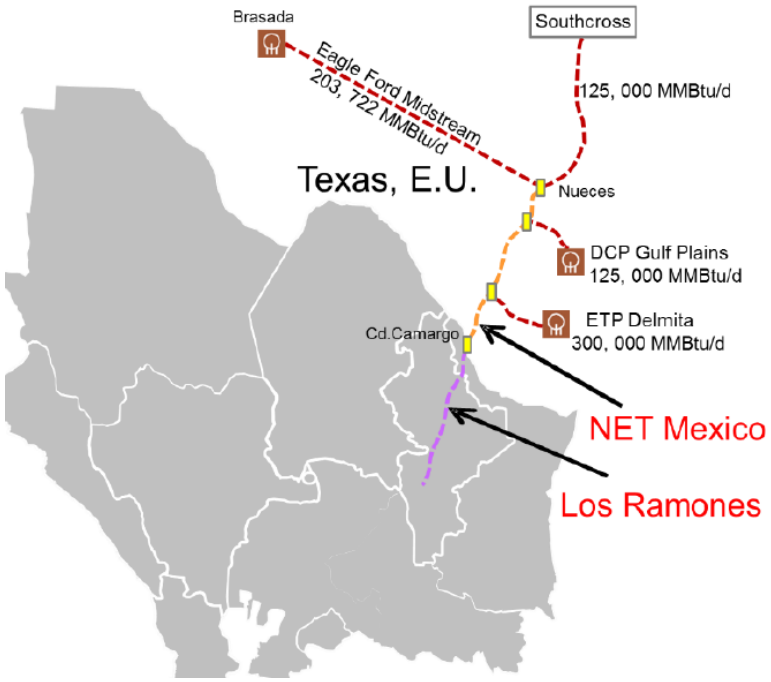
First NG Import Capacity Open Season (NET Mexico) Feb ‘17



Source: SENER, Análisis Alfa

- Only 1 Access point to Mexico offered
  - Out of 6 entry points
- Pemex set base tariff at 0.31 USD/MMBtu
- Only 3 participants (BP, Vitro & Vidriera SLP)
  - 1 Marketer/producer
  - 2 end users
- 216 MMcfd awarded out of ~730MMcfd offered

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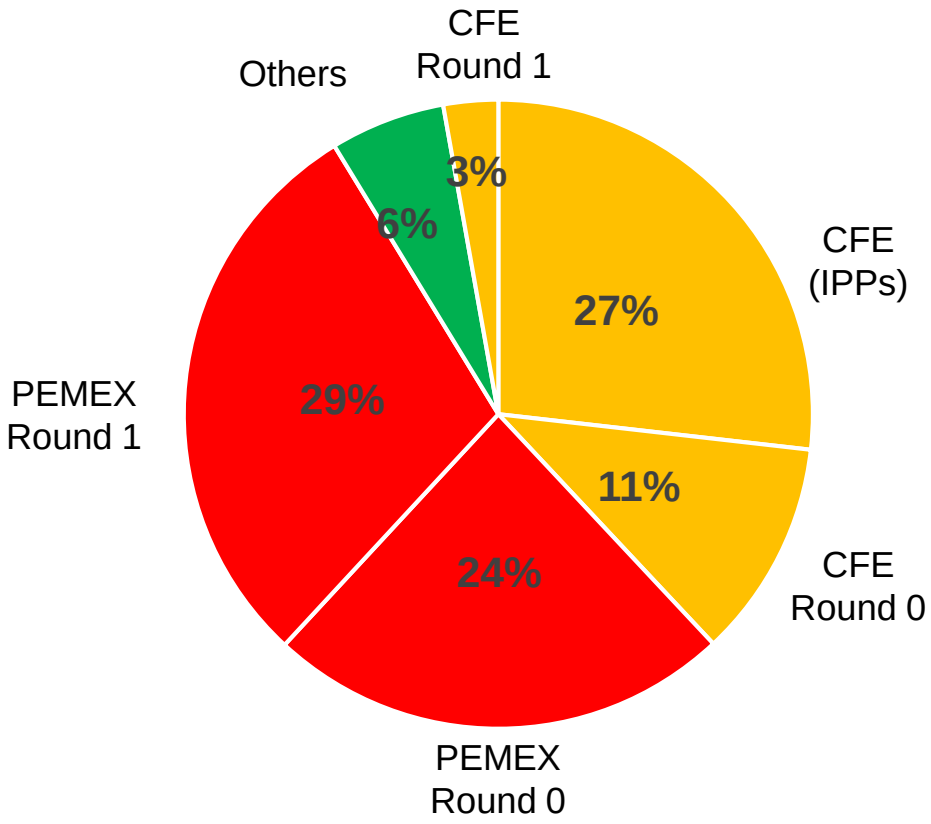
US commodity supply controlled by 2 players

SISTRANGAS
6.3 BCFD



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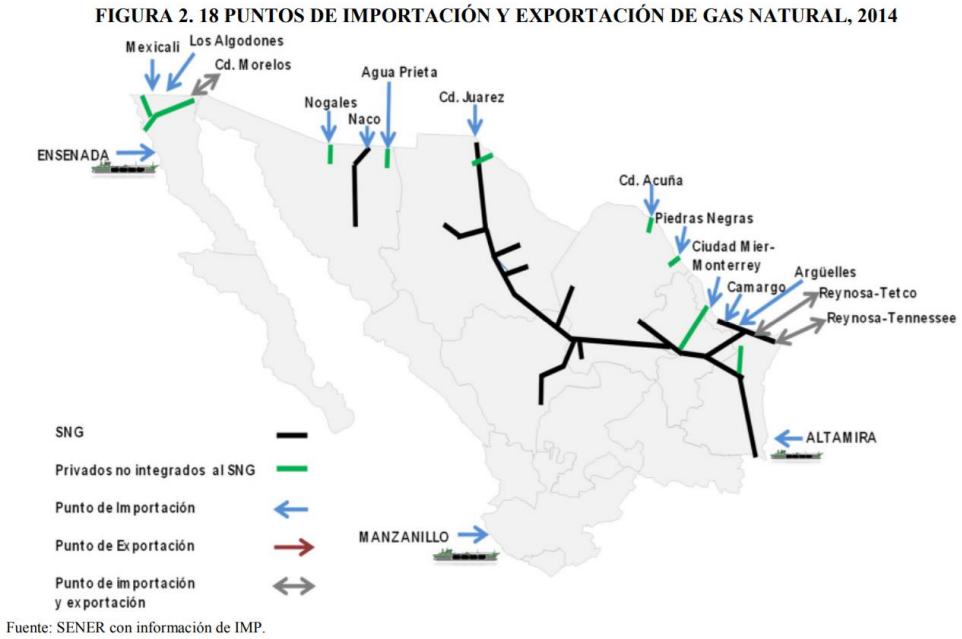
Incentives to export more to Mexico

- Kinder Morgan Border. Oct 18, 2017
- Gasoducto del Río. Dec 22, 2017
- Kinder Morgan Tennessee. Jan 8, 2018



Positioned

- Long presence of NG consumption in Mexico
- 125 mmcfd in 2018 and growing
- 15+ industrial sites in Mexico
- Different consumption profiles (shape and size)
- In all transportation zones
- With and without different LDC's
- Directly secured transportation in last open season

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Positioned

- Producing natural gas in Mexico and the US
- Access to different NG supply sources
- US natural gas export permit granted
- Mexican marketing permit granted
- Thorough knowledge of regulation
- Dedicated to enhace competitiveness

NEG NATURAL S.A. DE C.V.

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CEO Update

Scott Prochazka

President & CEO

CenterPoint Energy

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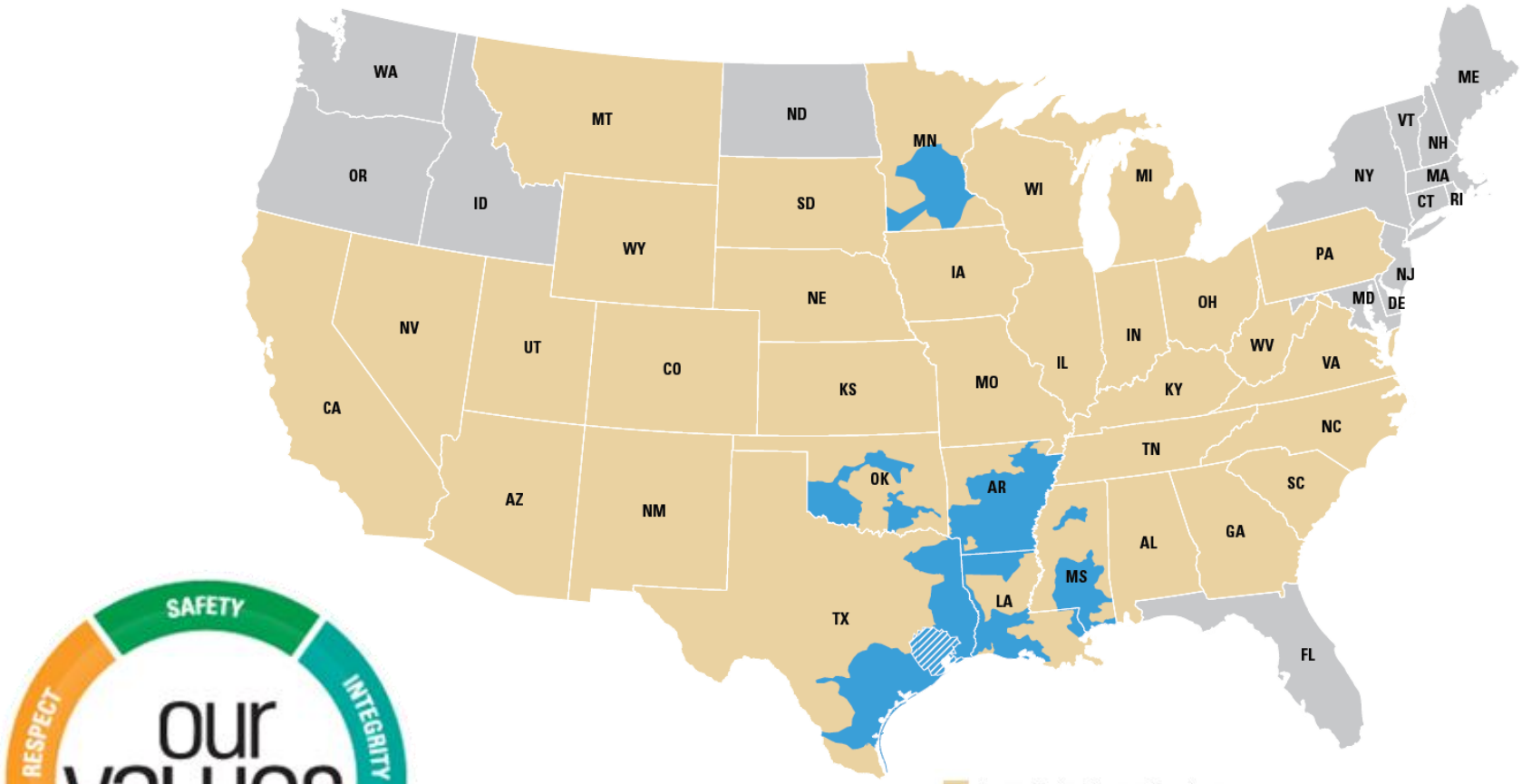
Who is CenterPoint Energy?



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Topics

- Key influences on natural gas and electric energy delivery companies
- Our participation in and perspective on emerging energy technologies
- CenterPoint Energy's investments for growth, reliability, and safety
- Our value proposition: from energy delivery to energy partner

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Key Influences

Customer-driven

Backup Generation

Power-Sensitive Equipment

Technology-driven

Fuel Cells

Battery Storage

Big Data

Energy Efficiency

Distributed Generation

Natural Gas & Electric Vehicles

Picarro Leak Detection

Drones

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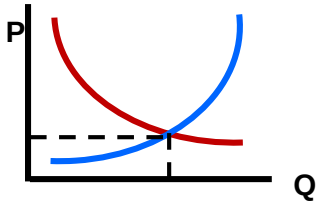
Market Environments for Emerging Energy Technologies

Central Planning
Regulators establish comprehensive regulatory framework and compact that defines utility roles, responsibilities, and financial incentives and penalties

Infrastructure Incentives
Programs and mechanisms to promote development of certain kinds of energy infrastructure are established

Technology-Rich
Legal or regulatory requirements are established that put a "finger on the scale" for certain technologies



Market-Based
Market and competitive forces are relied upon to allocate resources, select technologies, and compensate market participants

Incentive Subsidies
Special tariff or other subsidies (including tax credits) are established to encourage certain types of resources or utility behaviors

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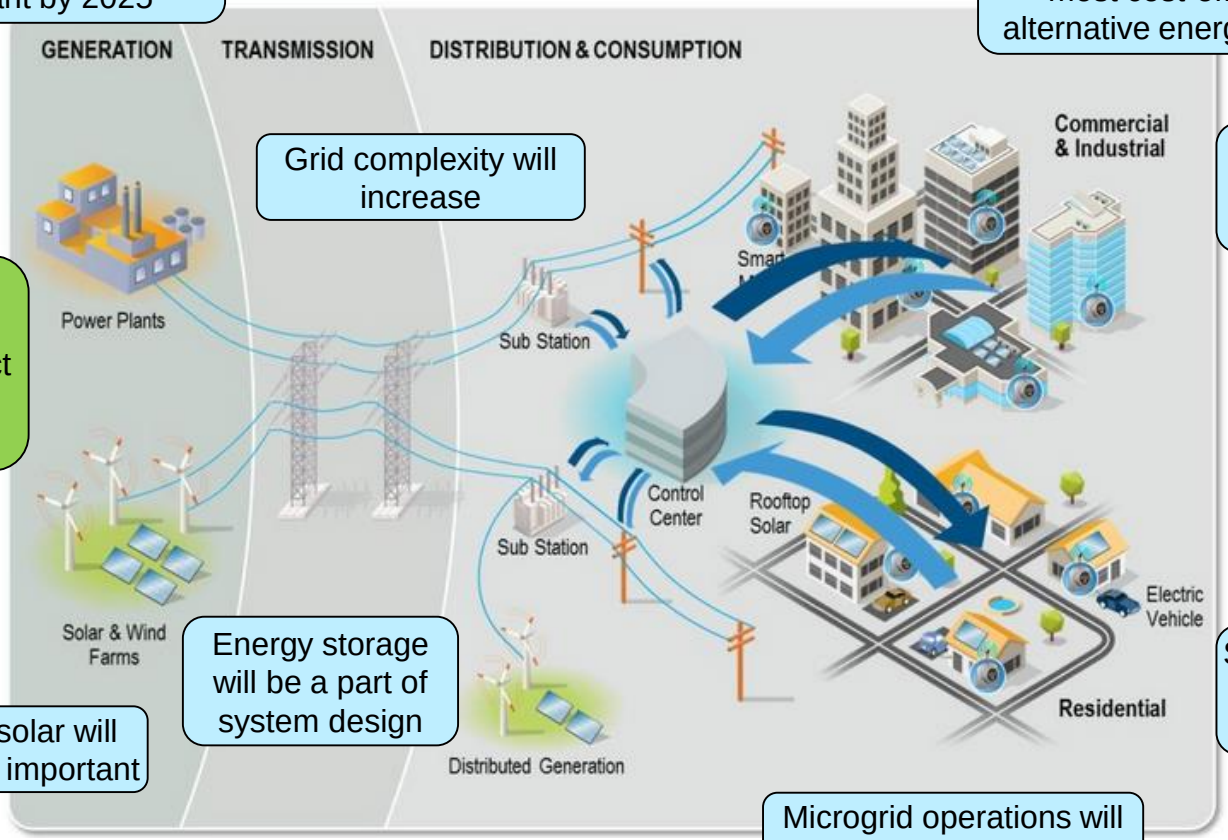
Source: ScottMadden Energy Industry Update, Winter 2015

The electric network of the future

Emerging technology market share will be significant by 2025

The grid will be the platform for the future electric system

Energy Efficiency is the most cost-effective alternative energy source



Grid complexity will increase

C&I markets for DER will use renewables and gas generation

Natural gas will continue to fuel the future – direct use and power generation

The electricity business model will include customized consumer services

Energy storage will be a part of system design

Some residential consumers will also become producers of energy

Utility scale solar will become more important

Microgrid operations will complement the grid

The electric system will include central and distributed generation

Picture Source: Trilliant

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CNP is Improving Customer Satisfaction While Reducing Carbon Emissions

Drive-by Advanced Meters

New, improved gas leak detection systems

Pipeline replacement programs

Predictive Analytics Engine

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CNP is Building the Grid of the Future

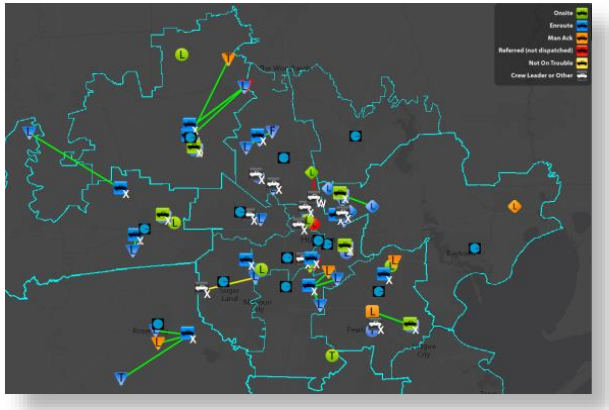
Smart Meters

Intelligent Grid

Real-time usage data

Power Alert Service

Big Data Analytics



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Our value proposition

Where we started – traditional utility model

Yesterday

- **Businesses**
  - Competitive natural gas supply
  - Regulated natural gas sales and delivery
  - Transformation from integrated electric utility to wires and poles
- **Focus**
  - Reliable supply, safe and reliable infrastructure
  - Success measured by energy delivered; frequency and length of outages
- **Responsive to Customer Concerns/Needs**
  - Success measured by % of calls answered in x time
  - Responsive to regulatory issues
- **Customer Expectations**
  - Measured against a historic experience/standards
  - Customer engagement predominately event-driven.

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Our value proposition

Where we are headed – drivers for evolution

Rising customer expectations across industries

Regulated and competitive services

Trusted energy partner

Today

- **Deliver energy**
  - Competitive natural gas supply
  - Electricity and natural gas delivery
  - Continued focus on safety and reliability
- **Deliver service**
  - Customized products
  - Self-service capabilities
  - Proactive communications
  - Enhanced energy management and reliability solutions
  - Competitive solutions/partnerships
- **Deliver value**
  - Engagement and relationship with customer is proactive, enterprise-wide and seamless
  - Focus on financial and operational improvements for customer
  - Allows customers to focus on core competencies/skills

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Domestic and Gulf Coast Natural Gas Supply and Demand and Natural Gas Pricing

David Tucker
Business Development Director

CenterPoint Energy
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CenterPoint Energy Services, Inc.

ENERGY SERVICES OVERVIEW

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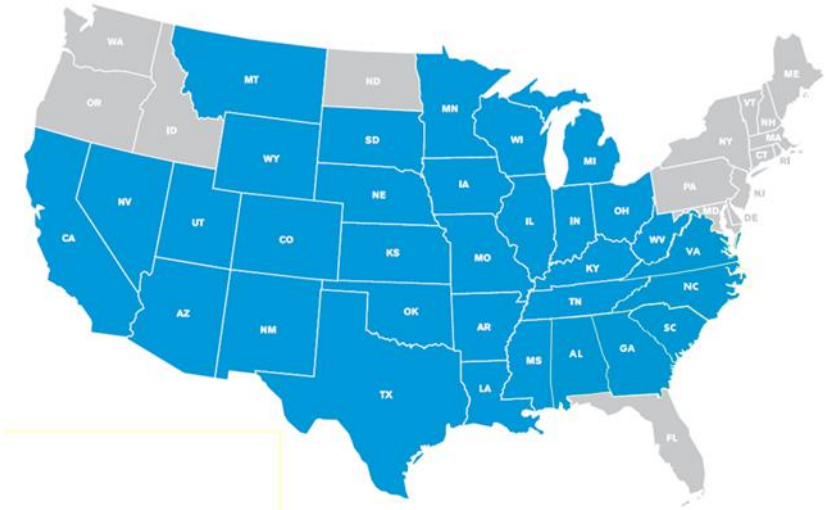
CES is a competitive company operating in the deregulated energy market

CenterPoint Energy Services provides customers with competitive gas supply with a **customer retention rate over 90** percent.

We work with a wide range of customers, from **utilities** and **power generators** to **manufacturers** and **retail** to small commercial and residential **Choice** programs.

Our service offering extends **across 32 states** and serves customers **within nearly 100 unique utility territories**.

CES Footprint



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Our Energy Services

Natural Gas Supply

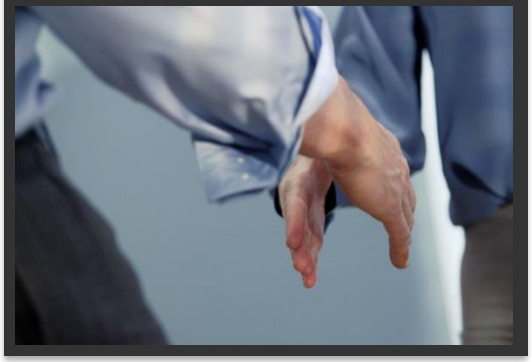
Producer Services

Pipeline Construction & Infrastructure

Mobile Energy Solutions

Green Services

Premier Partners



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Natural Gas Supply

Because the energy needs of our customers vary based on industry segment, geographical region, applicable utility tariffs and market conditions, CES works directly with each customer to develop a customized natural gas procurement plan.

Competitive Price Options

- **Variable Pricing**
  - Monthly market
  - Daily or monthly index
  - Index with a cap
- **Fixed Pricing**
  - Commodity
  - Basis
  - City Gate
  - Fixed price with downside participation
- **Structured Products**
  - Weather contingencies
  - Put/call options
  - Caps and collars

Supply Services

- **Daily & monthly balancing services**
  - Load forecasting
  - Nominations
  - Swing
- **Asset management**
  - Storage management
  - Firm and interruptible transportation administration
  - Capacity release management
- **Agency services**

Customer Segments Served

- Natural gas producers
- Bio-fuel/agricultural
- Health care
- Real estate
- Utilities
- Power generators
- Education/institutional
- Government/municipalities
- Co-op
- Manufacturing
- Retail
- Residential/Choice

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Producer Services

We purchase and transport natural gas from wellhead to end-use markets

Our Customers

- Single-well producers
- Small to mid-size independent producers
- Bio-methane/landfill operators
- Major exploration and production companies
- Transporters
- Merchant buyers and sellers

Our Services

- Supply management strategies
- Gathering and pooling services
- Downstream transportation services
- Firm interstate and intrastate transportation options
- Forward-price risk management
- Load forecasting and nominations
- Seasonal natural gas storage
- Daily and monthly pricing options
- Load following, scheduling, balancing
- Short- and long-term contracts
- Hedging

Our Statistics

- Operating for over 20 years
- Serving over 150 producers
- Territories include TX, AR, OK, LA, KS, MI, KY and CO
- Ongoing, significant growth in volume
  - 2009 volumes = 43 Bcf
  - 2010 volumes = 50 Bcf
  - 2011 volumes = 57 Bcf
  - 2012 volumes = 50 Bcf
  - 2013 volumes = 62 Bcf
  - 2014 volumes = 63 Bcf
  - 2015 volumes = 69 Bcf

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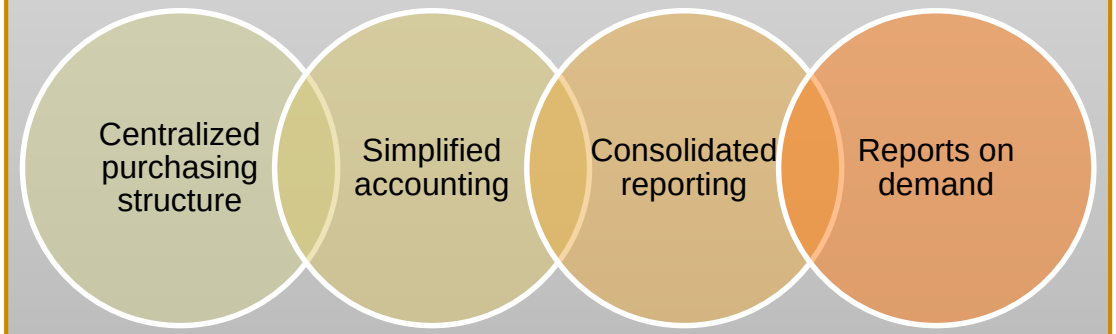
Premier Partners

Premier Partners are typically commercial and industrial customers with operations that span several states and benefit from consolidated purchasing, account reporting, and accounting/payment structures.



Sample Premier Partners

- 3M Company
- Aramark Services, Inc.
- American Airlines
- Anheuser-Busch
- Cargill, Inc.
- ConAgra, Inc.
- Delta Airlines, Inc.
- Federal Express Corporation
- General Electric Company
- Georgia Pacific Corporation
- Home Depot USA, Inc.
- Honeywell International, Inc.
- International Paper Company
- Nestle USA, Inc.
- PepsiCo, Inc.
- Target Corporation
- Tyson Foods, Inc.
- Union Pacific Railroad Company
- US Steel Corporation
- Walgreens
- Wal-Mart Stores, Inc.

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Natural Gas

FUNDAMENTALS

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Price Takers or Market Makers?

- Production
- Demand
- LNG & Mexico Exports
- Summary

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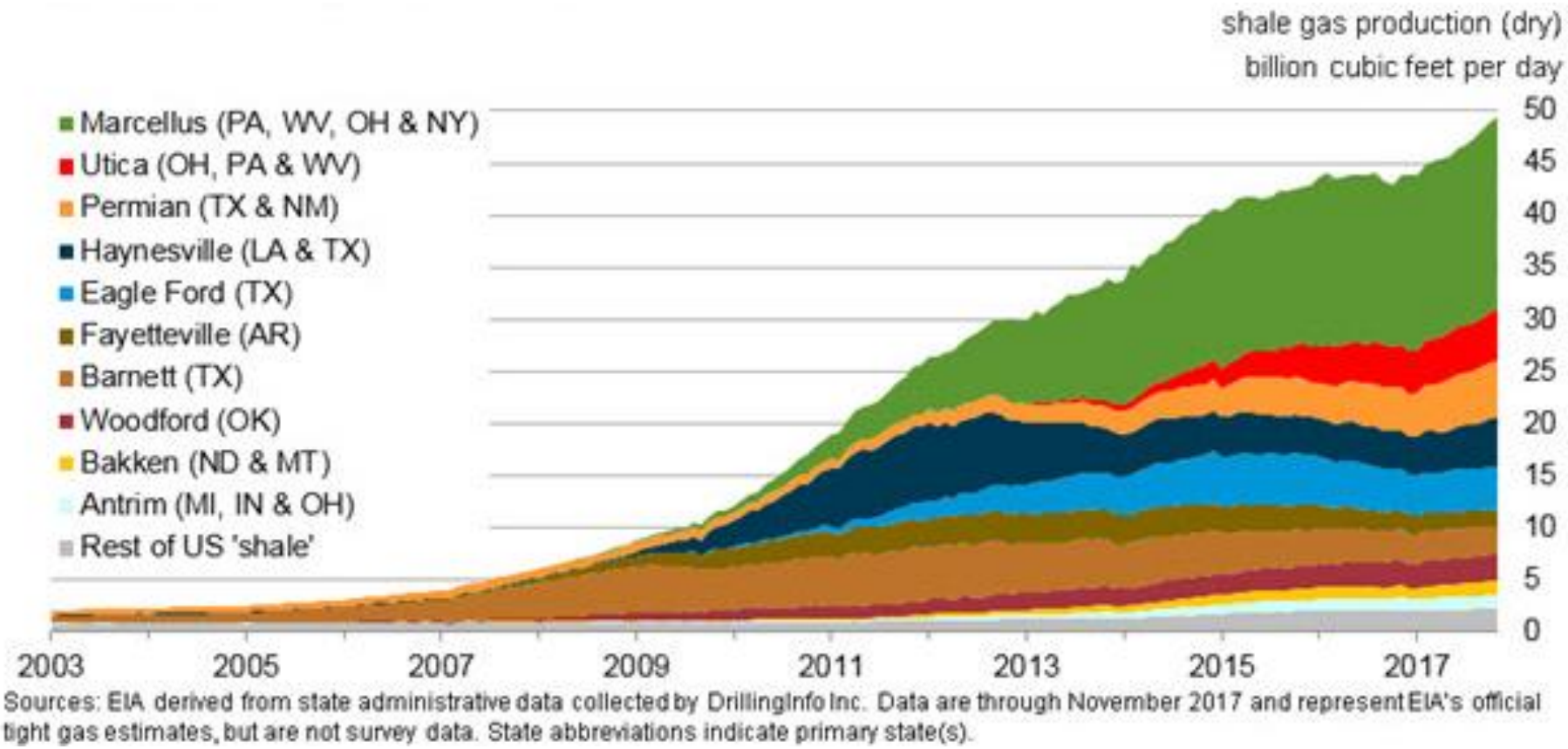
Monthly Shale Gas Production



Sources: EIA derived from state administrative data collected by DrillingInfo Inc. Data are through November 2017 and represent EIA's official tight gas estimates, but are not survey data. State abbreviations indicate primary state(s).

Sources: EIA

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U.S. Shale Breakeven Cost

US Dry Shale Gas Production-Major Plays

Plays	Production Bcf/d	%	Breakeven Cost $/Mcf	$/Bbl
Bakken (ND & MT)*	1.2	3%	$ 2.85	$48
Barnett (TX)	2.8	7%	$ 3.75	
Fayetteville (AR)	1.6	4%	$ 3.75	
Eagle Ford (TX)*	4.1	10%	$ 2.65	$45
Haynesville (LA & TX)	4.2	10%	$ 3.25	
Marcellus (PA, WV, OH & NY)	17.6	43%	$ 2.25	
Utica (OH, PA & WV)	4.4	11%	$ 2.50	
Permian (TX & NM)*	5.0	12%	$ 2.50	$42
Total Production & Weighted Avg Cost	40.8	100%	$ 2.63	

*Correlated gas price for break-even WTI for primarily wet plays

Estimated Locational Futures Fixed Price

	12 month	24 month	36 month
NYMEX	$ 3.05	$ 2.98	$ 2.91
Bakken	$ 2.43	$ 2.38	$ 2.32
Barnett	$ 2.78	$ 2.71	$ 2.64
Fayetteville	$ 2.87	$ 2.80	$ 2.73
Eagle Ford	$ 2.99	$ 2.92	$ 2.86
Haynesville	$ 2.87	$ 2.80	$ 2.73
Marcellus	$ 2.60	$ 2.53	$ 2.44
Utica	$ 2.60	$ 2.53	$ 2.44
Permian	$ 2.55	$ 2.47	$ 2.42
Weighted Average Price (Based on Production %)	$ 2.68	$ 2.61	$ 2.53

Sources: EIA, Pira, Bentek

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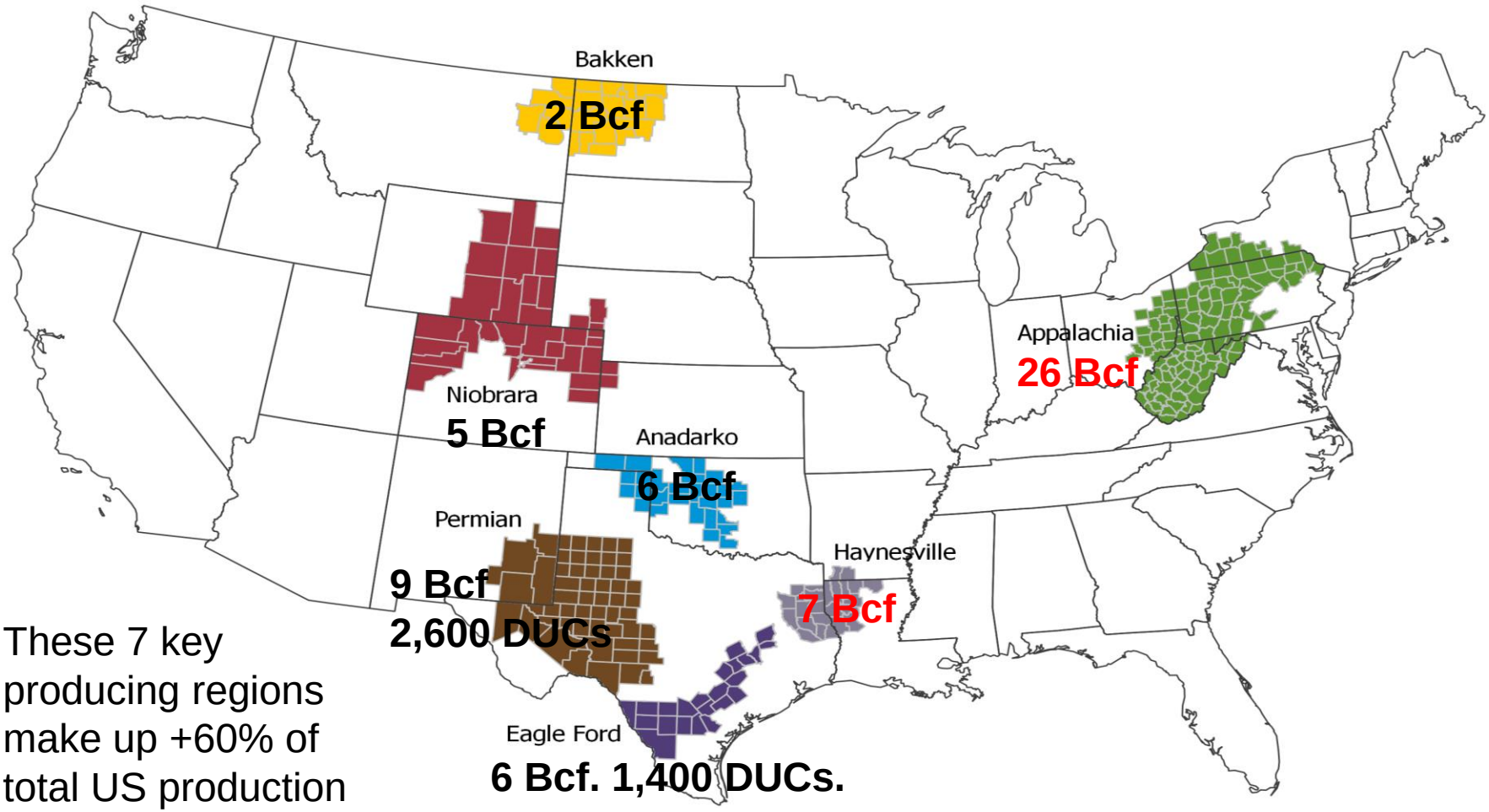
Key Shale Production Areas



- These 7 key producing regions make up +60% of total US production

Sources: EIA

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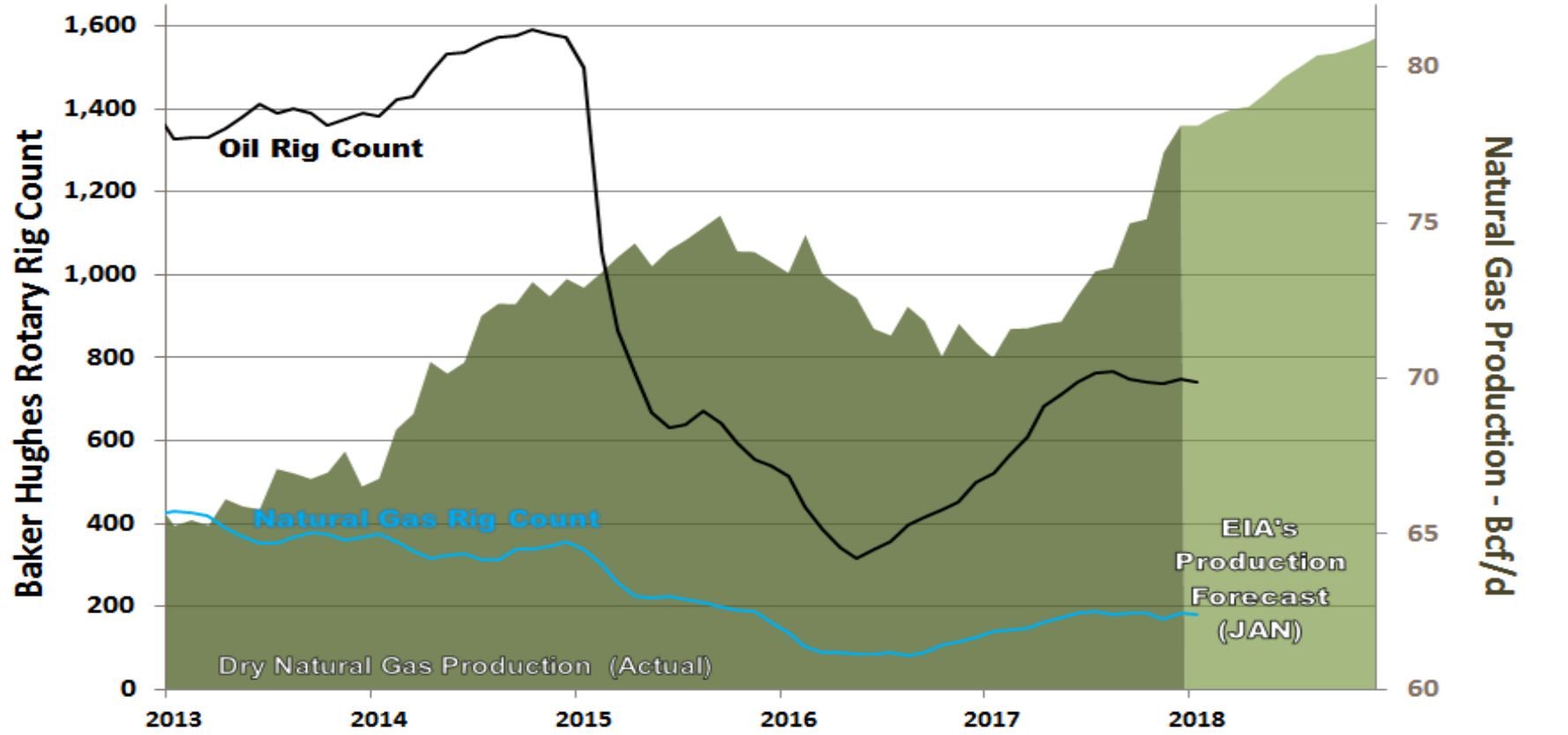
Production and Rig Counts



- Dry gas production reached over 78 Bcf/d during the month of December 2017
- Although production dipped to 72 Bcf/d to begin January due to freeze-offs, production is expected to rebound quickly and reach 81 Bcf/d by the end of 2018
- After reaching a recent low of 404 rigs in May 2016, total rig count has rebounded to over 900 rigs

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Sources: EIA: Short Term Energy Outlook, Baker Hughes

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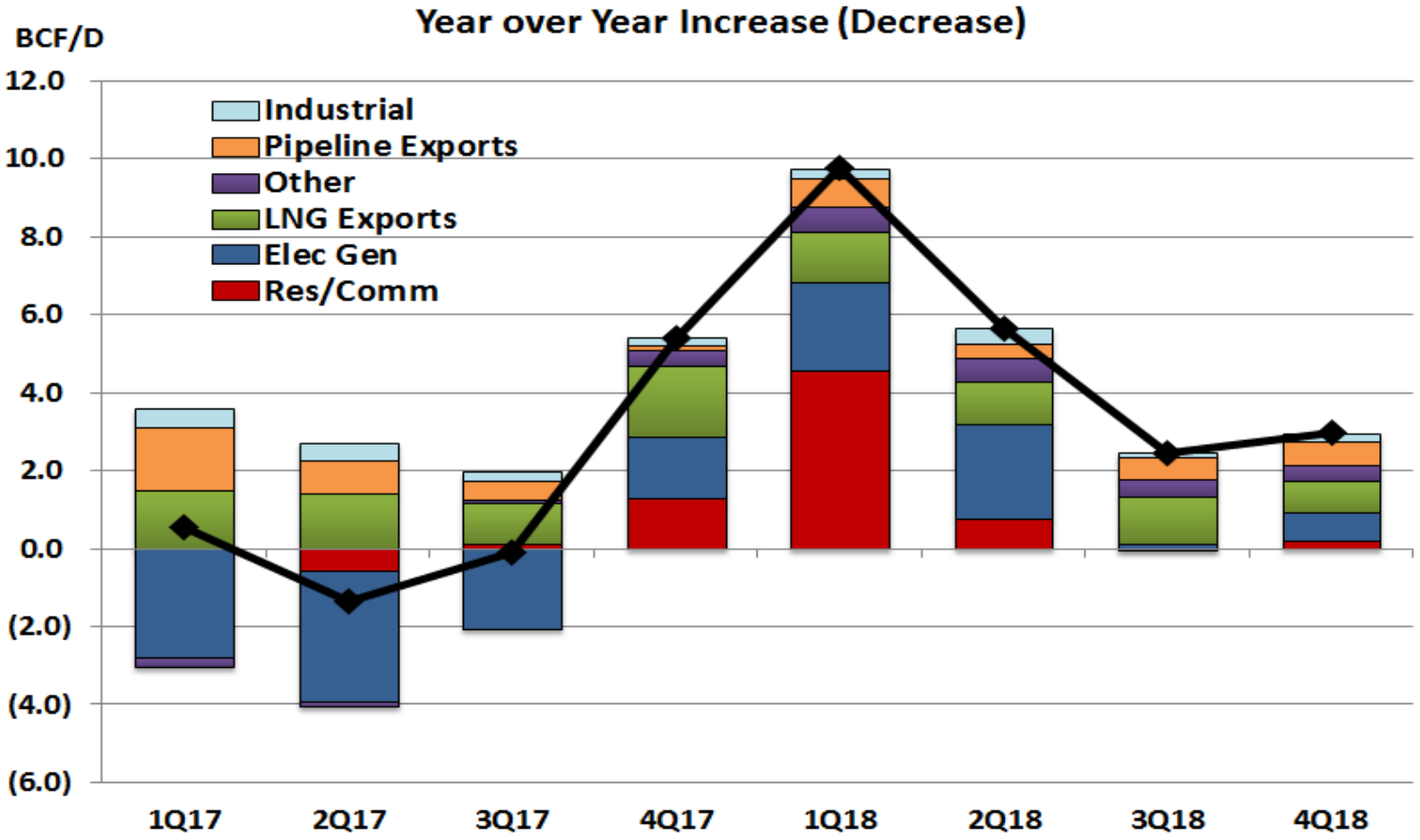
US Gas Demand by Quarter 1Q17-4Q18



- Demand is expected to be10 Bcf/d higher for Q1 2018 vs. Q1 2017
- February 2017 was the warmest on record, thus resulting in forecasted increases year over year in residential/commercial demand and electric generation
- Industrial demand, LNG exports, and exports to Mexico expected to steadily increase each quarter
  - Helping to offset rising production

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Source: EIA STEO

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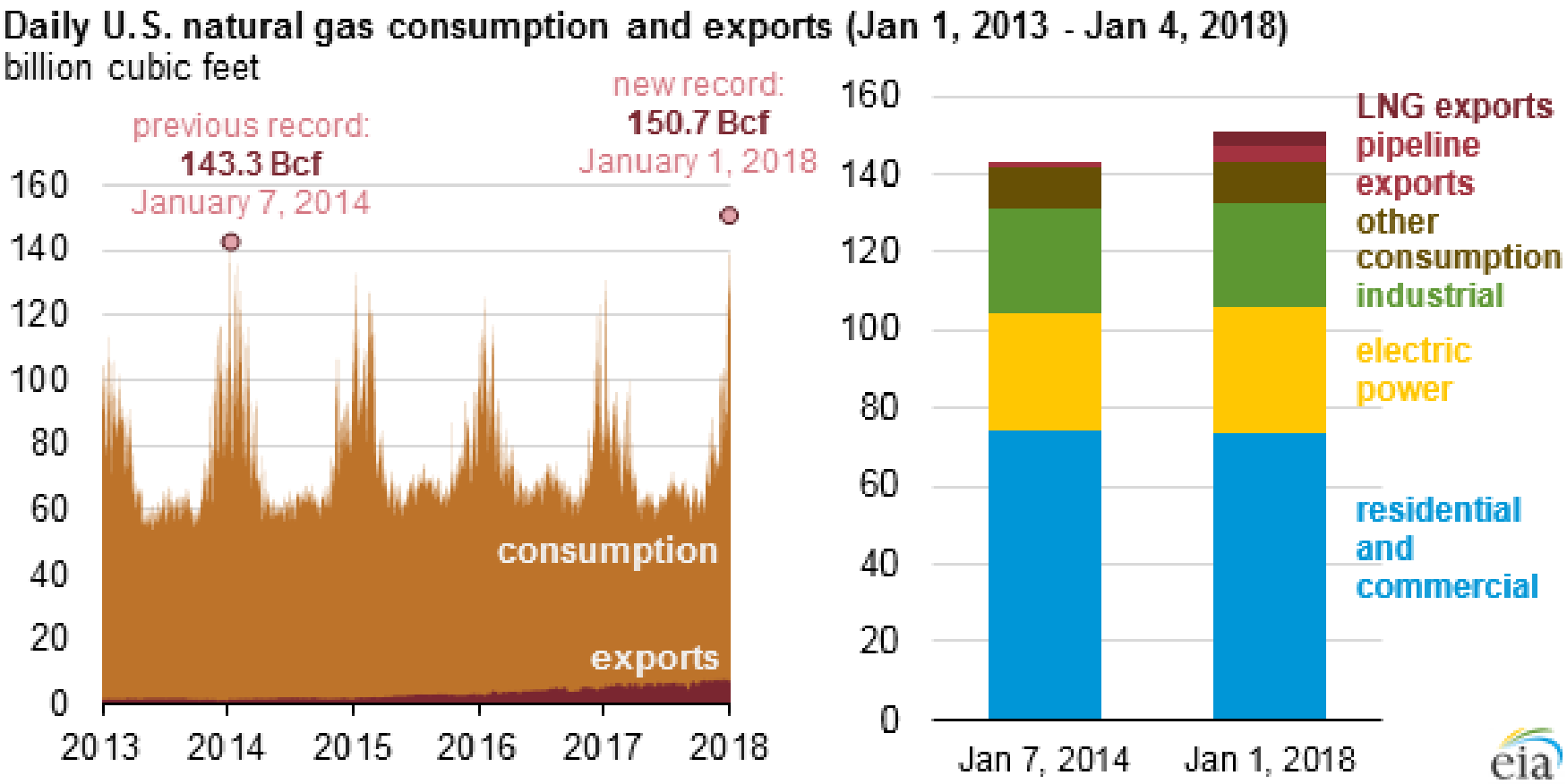
Record Demand



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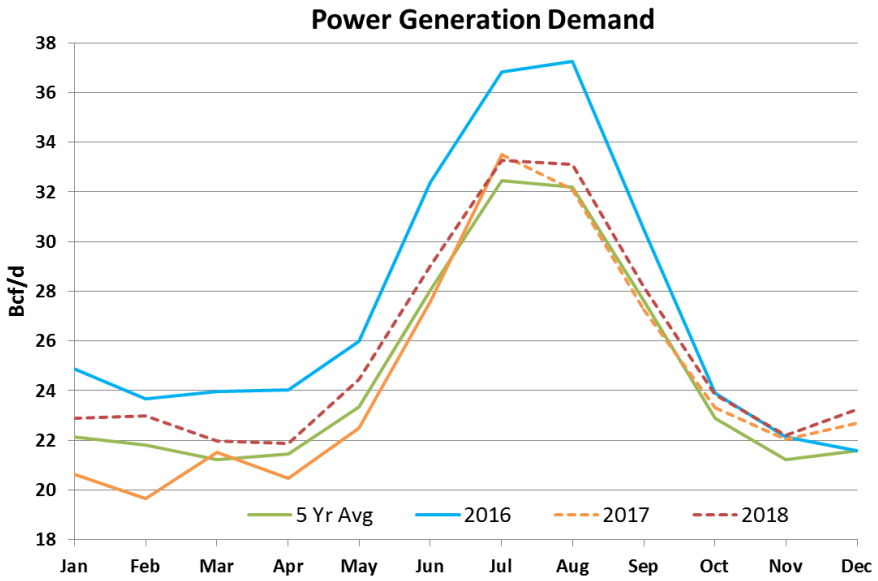
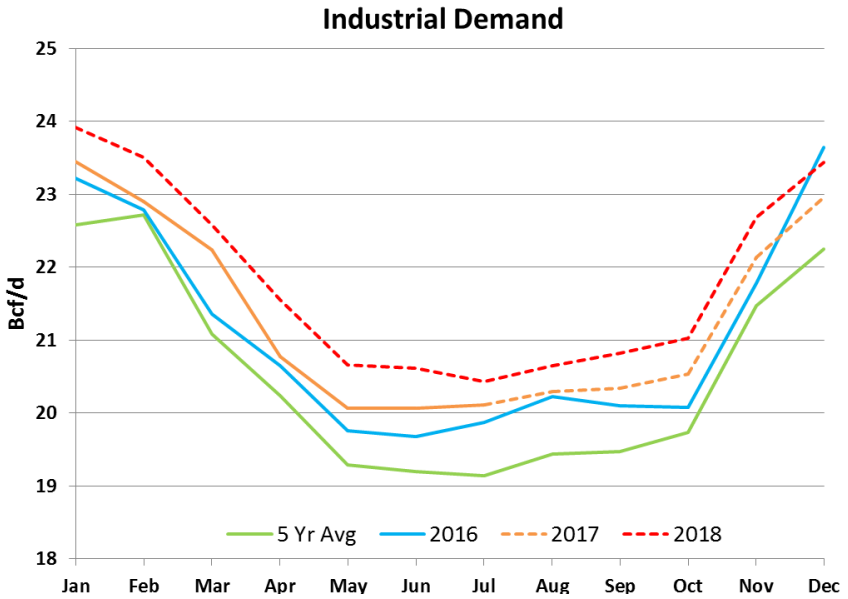
Demand Forecasts





- Power generation demand this year is expected to decline about 2.8 Bcf/d from record levels set in 2016 due to higher gas prices causing some switching back to coal and strong growth from renewables, particularly wind, solar, and hydro
- Growth is expected to resume in 2018, jumping 1.15 Bcf/d to 25.59 Bcf/d, but still well-below the 2016 record of 27.26 Bcf/d

- Industrial demand forecasts have been raised for 2017 and 2018 due to expectations of growth over the next several years as a number of new fertilizer, methanol, and petrochemical projects come online in Southeast Texas and South Louisiana

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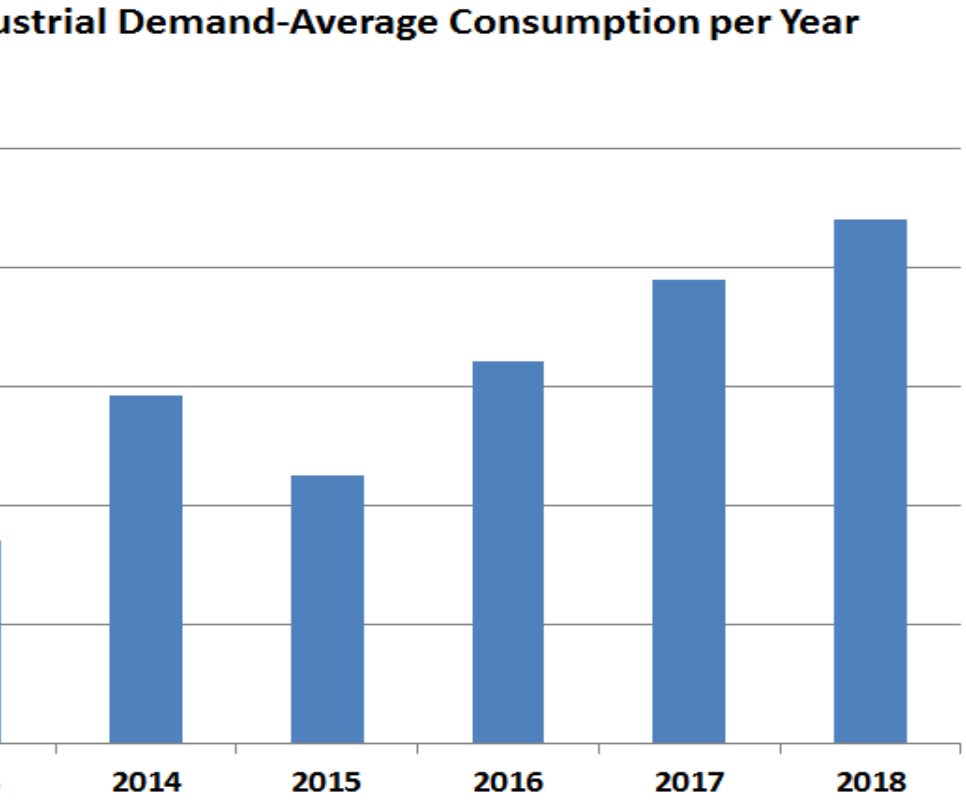
Source: EIA

Industrial Demand



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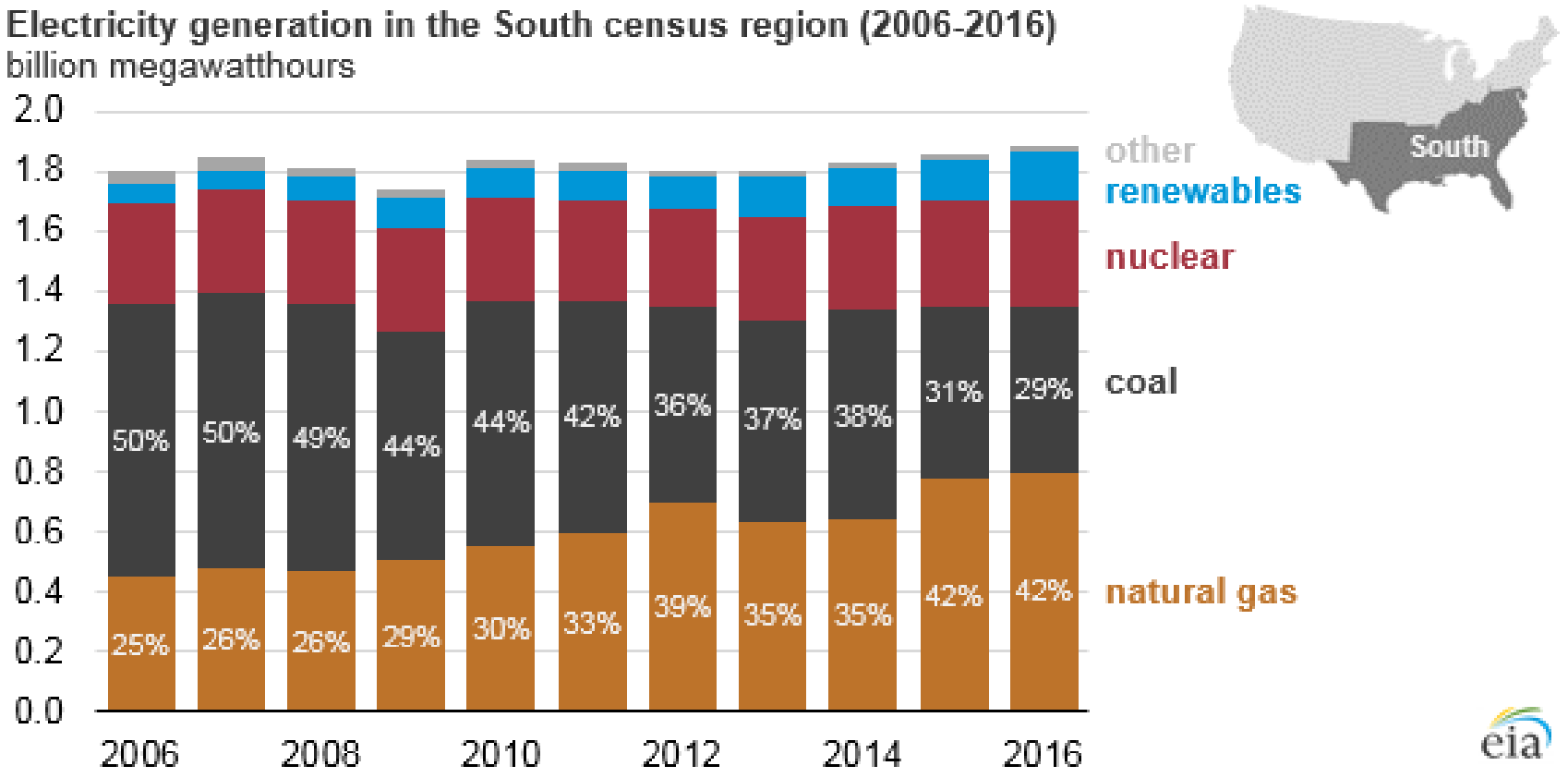
Source: EIA

SE Power Generation



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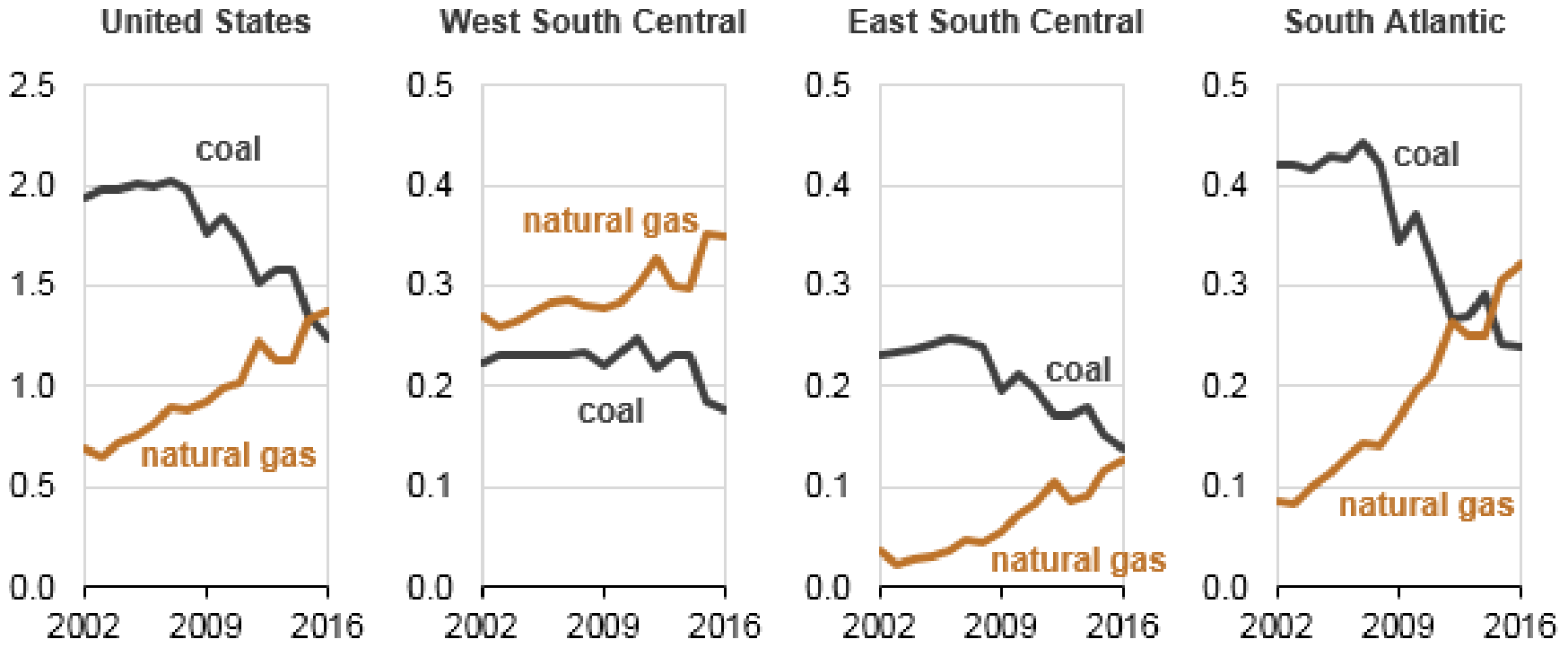
Coal vs Gas

Coal-fired and natural gas-fired electricity generation in selected regions (2002-2016)
billion megawatthours



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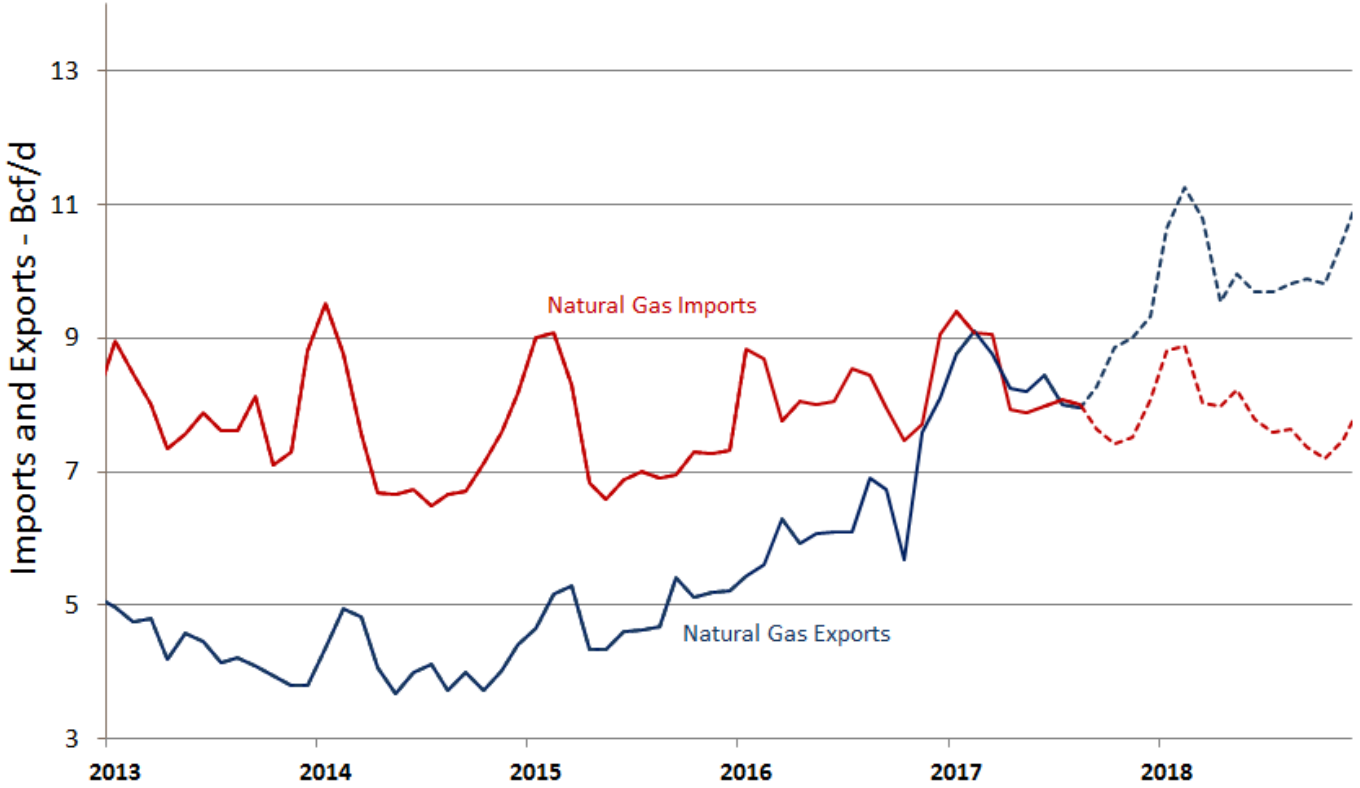
Exports and Imports Forecast



- Exports have seen strong growth over the last two years led by LNG exports and pipelines exports to Mexico – exports to Mexico are poised to grow further as pipelines that have been seeing delays on the Mexican side of the border are finally completed
- LNG exports have gone from 0 Bcf/d in 2015 to almost 3 Bcf/d by year-end 2017
- Exports to Mexico are expected to grow from 3 Bcf/d in 2015 to as high as 5 Bcf/d end of 2018
- Net imports from Canada expected to remain stable

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Sources: EIA: Short Term Energy Outlook, Baker Hughes

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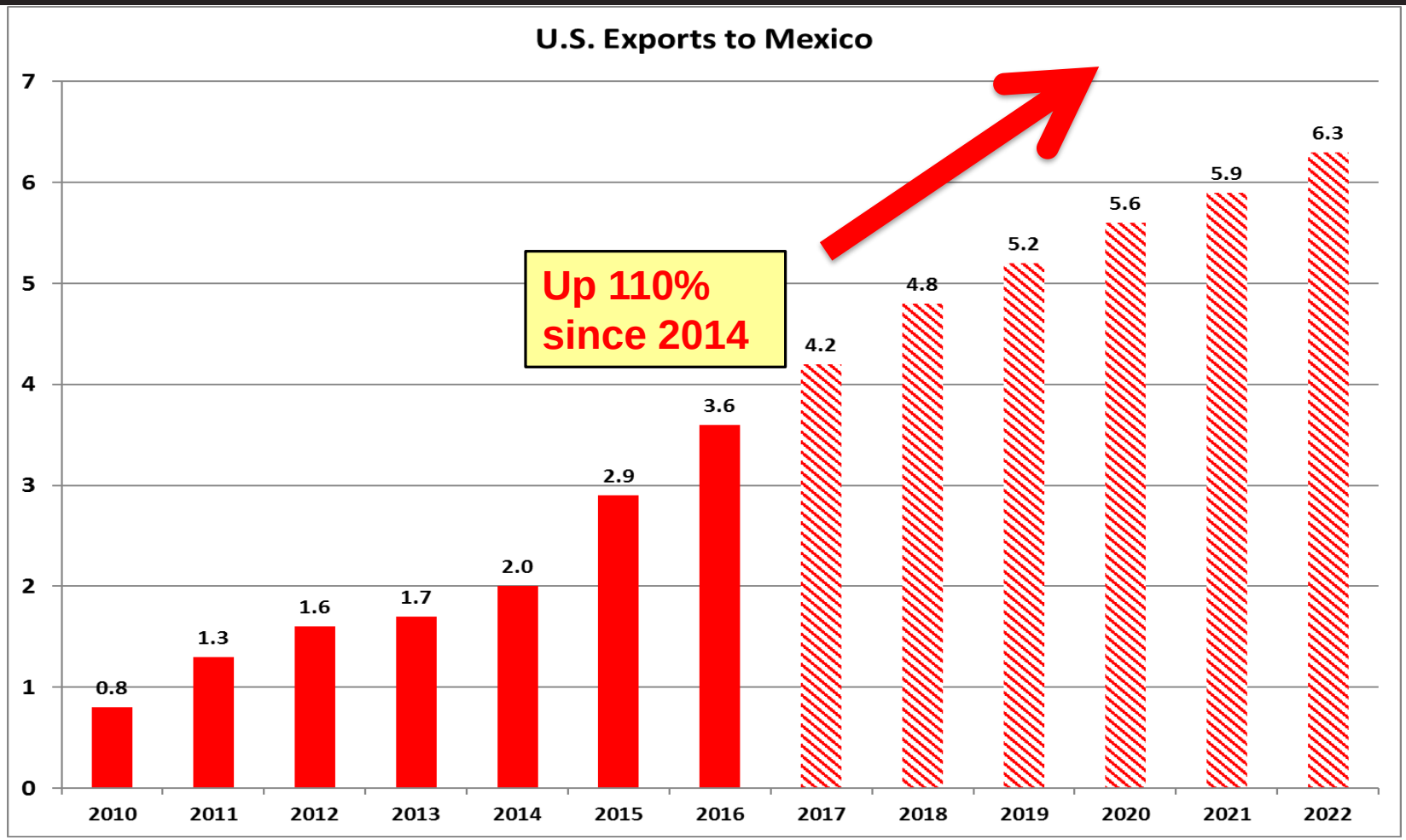
U.S. Exports to Mexico



Source: Bloomberg, CES

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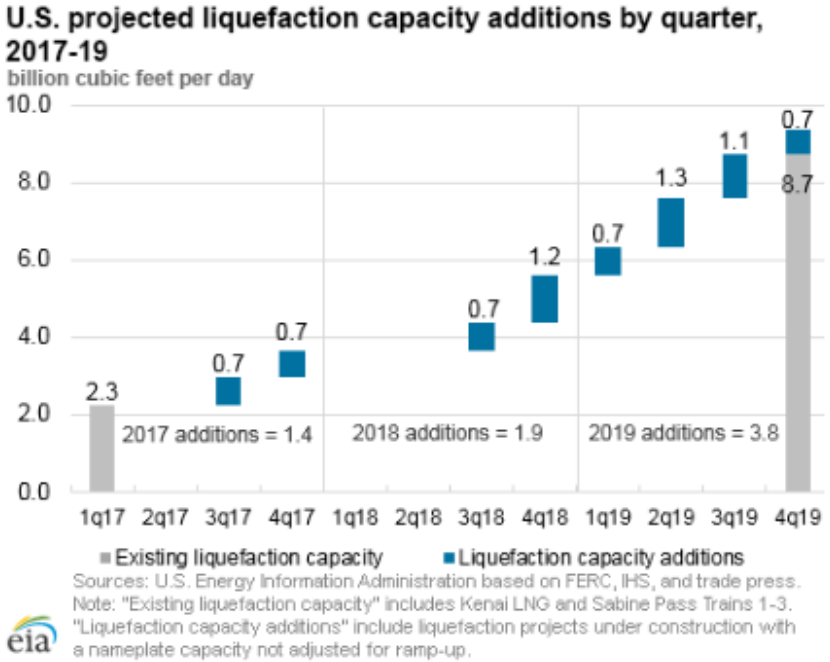
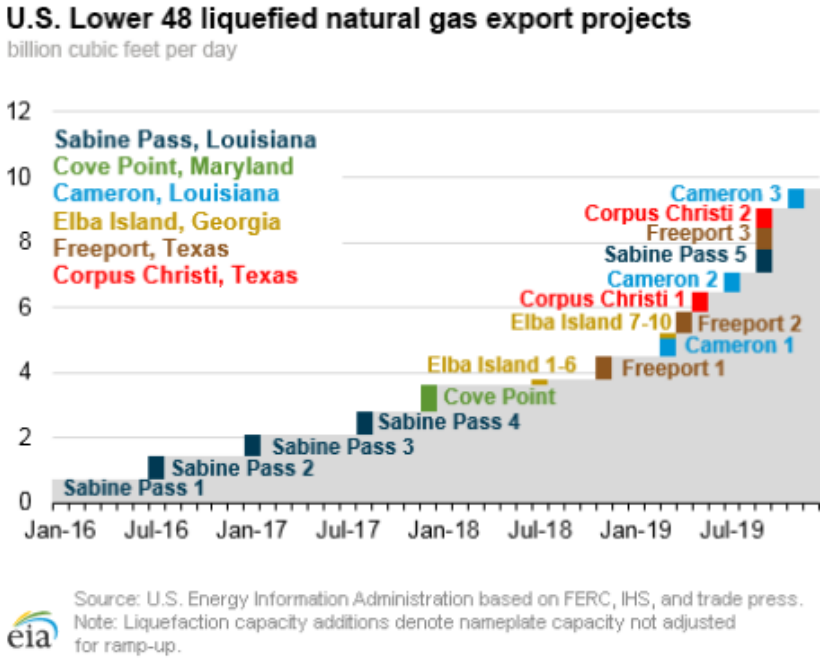
U.S. LNG Export Update





- Cheniere's Sabine Pass LNG export facility came online in early 2016 and feedgas demand is currently averaging near 3.00 Bcf/d with four trains currently fully operational
- Dominion's Cove Point LNG came into service in December 2017
- The EIA projects liquefaction capacity to reach over 9 Bcf/d by the end of 2019

Source: EIA

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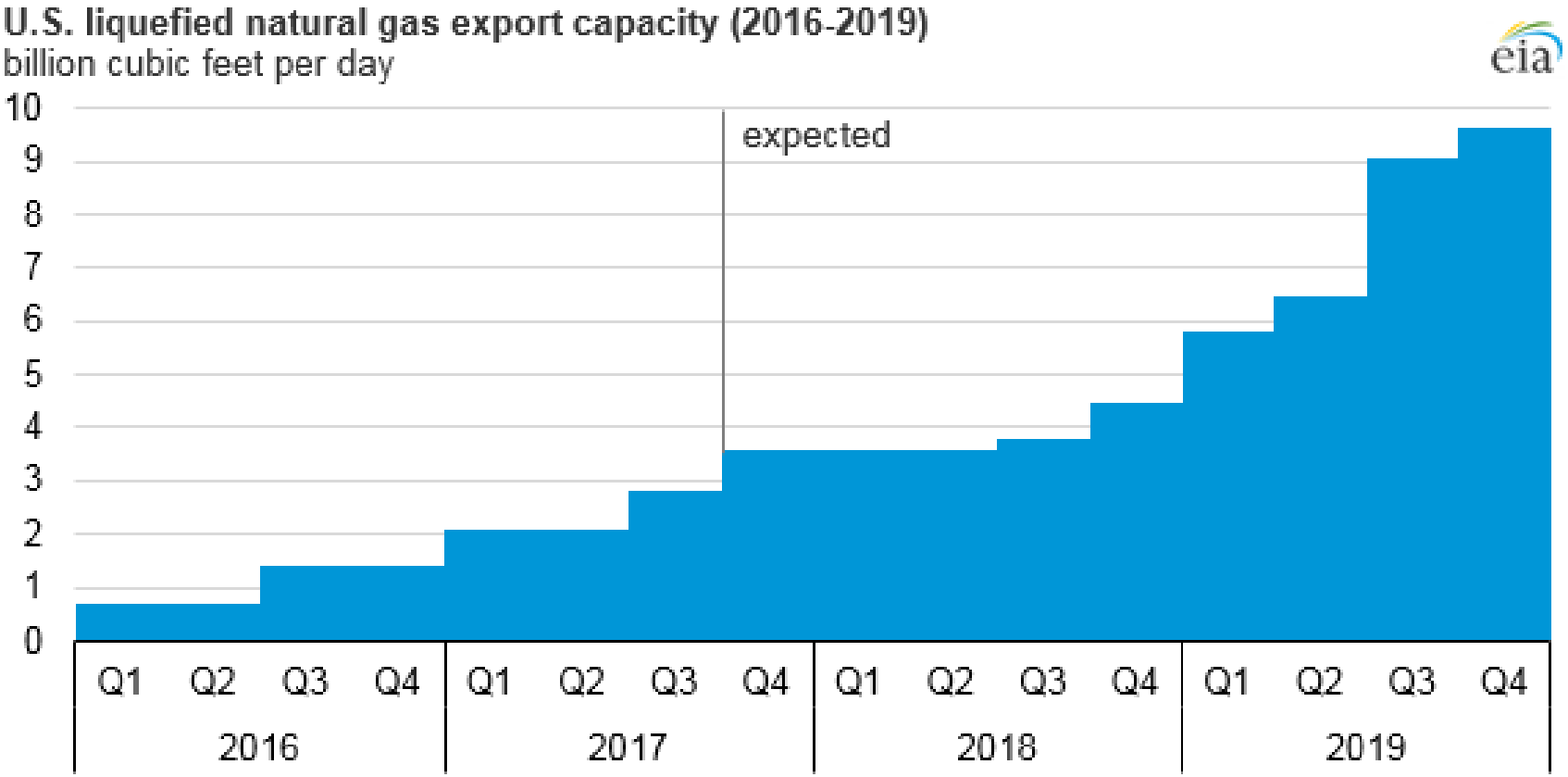
LNG Export Growth



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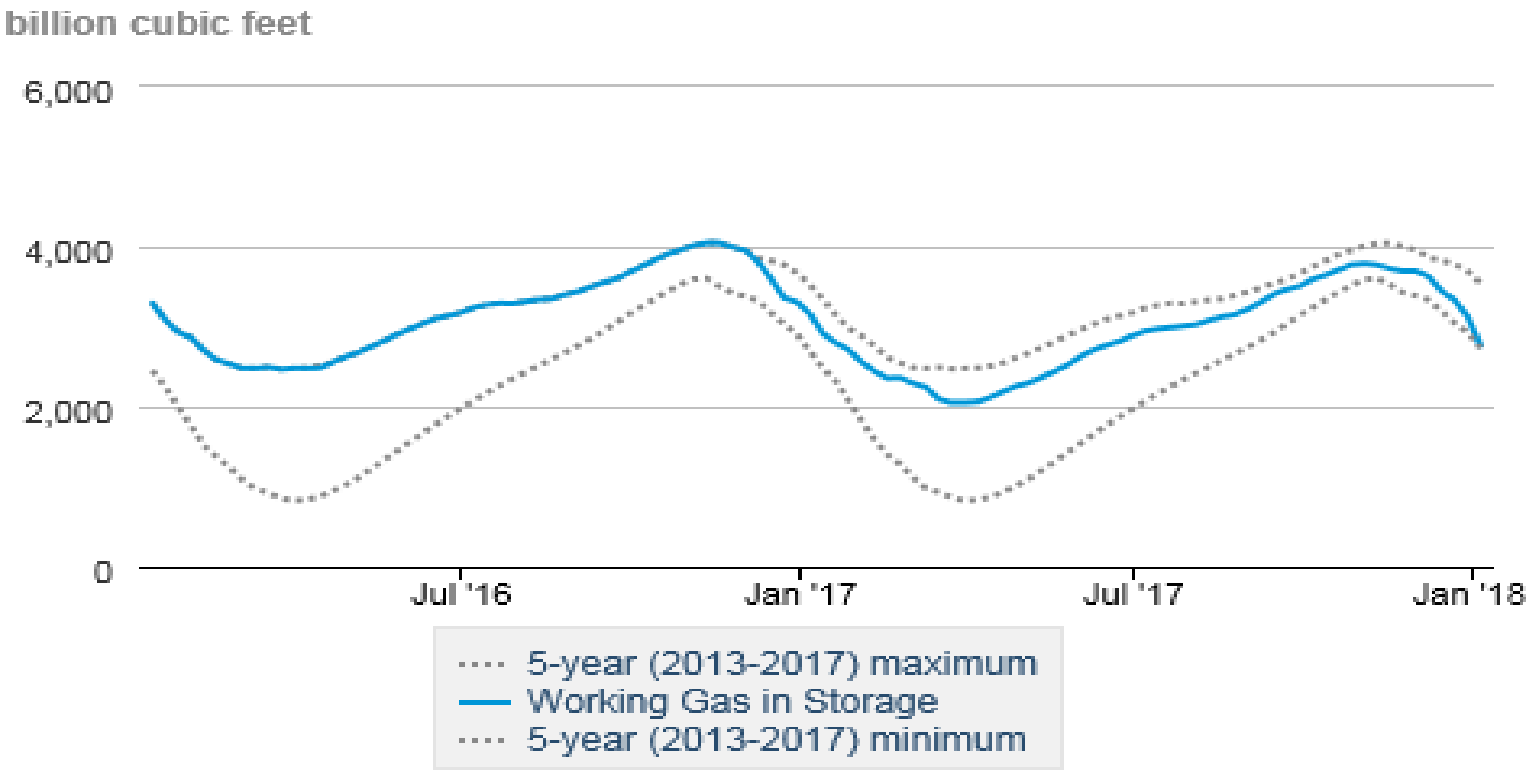
Natural Gas Storage Levels



- The weekly EIA storage report for the first week of January set a new record for a weekly withdrawal from storage at 359 Bcf, putting the deficit to last year's level at 415 Bcf and the deficit to the five year average at 382 Bcf
- ICE futures contracts for the end of withdrawal season (end-March'18) are trading near 1.300 Tcf which would be 400 Bcf below the five year average and over 700 Bcf below the prior year

Sources: EIA, ICE

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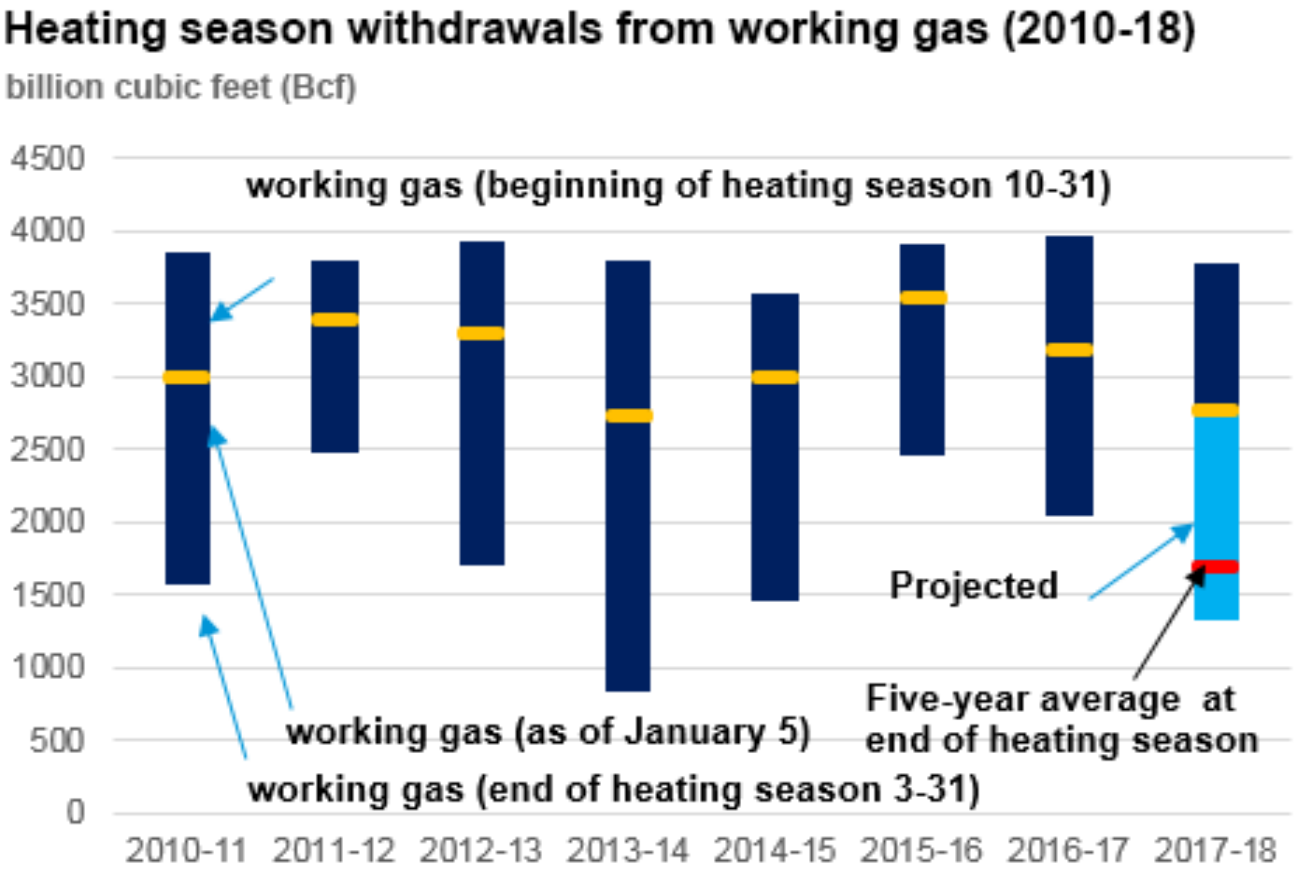
End of Winter Storage Expectations



Source: U.S. Energy Information Administration, *Natural Gas Monthly*, *Weekly Natural Gas Storage Report*

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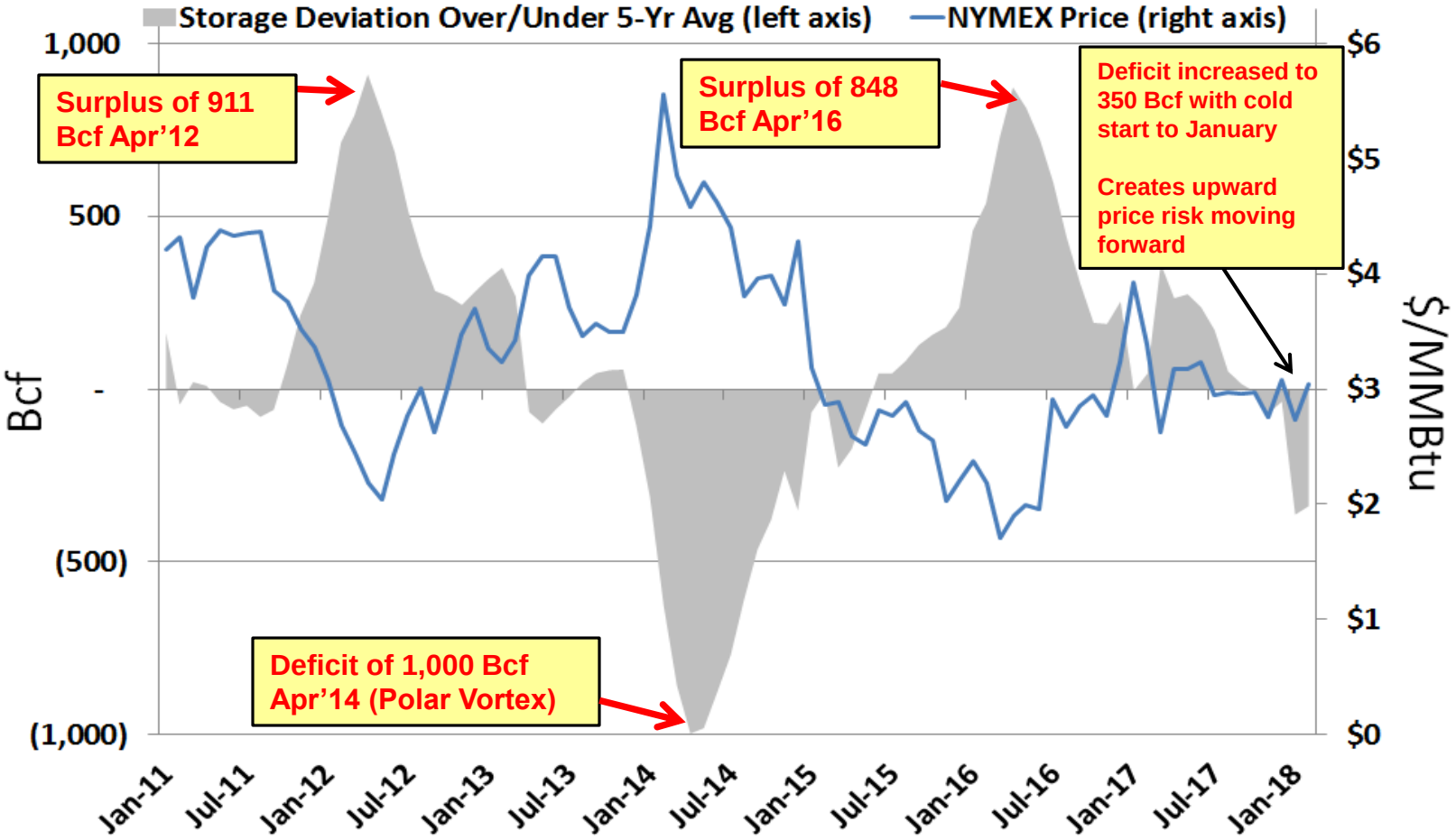
Storage Deviation to 5 Year Average
Paints a Clear Price Picture



Sources: EIA

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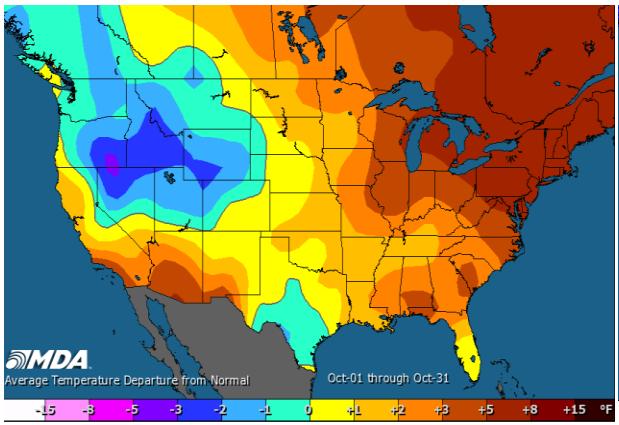
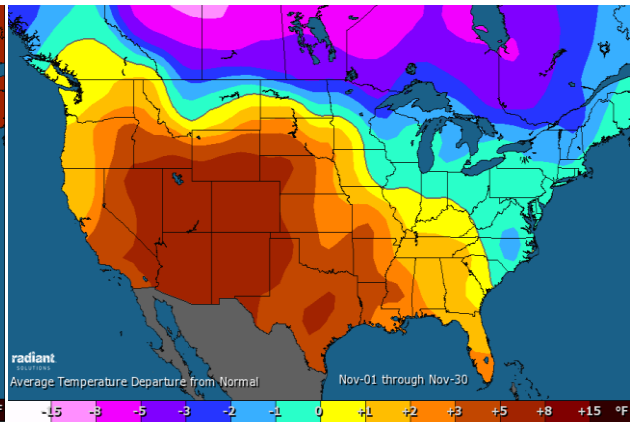
Weather Review

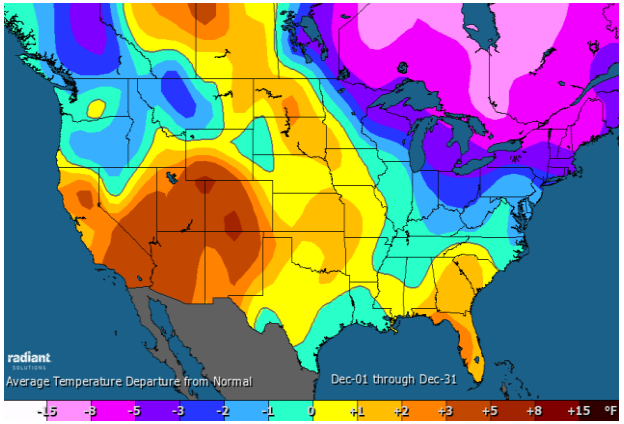
October 2017
(2nd warmest)



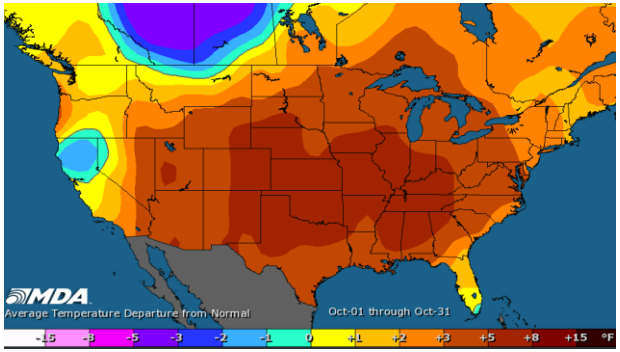
November 2017
(Warmer than 30 yr normal)



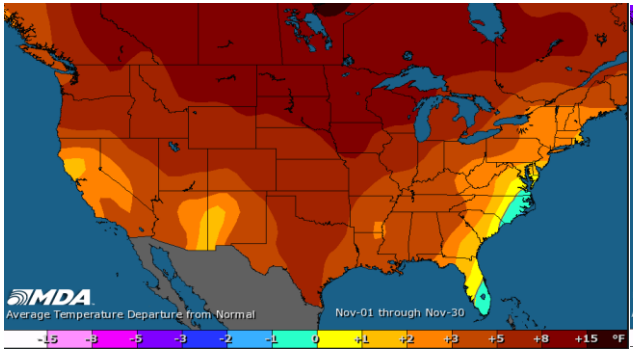
December 2017
(Near 30 yr normal)



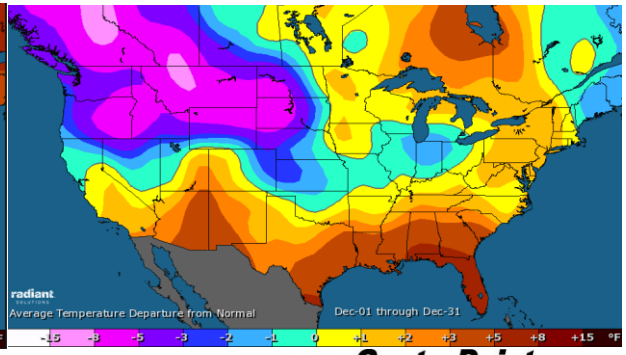
October 2016
(3rd warmest)



November 2016
(5th warmest)



December 2016
(Warmer than 30 yr normal)



*rankings based on PWCDDs or GWHDDs dating back to 1950

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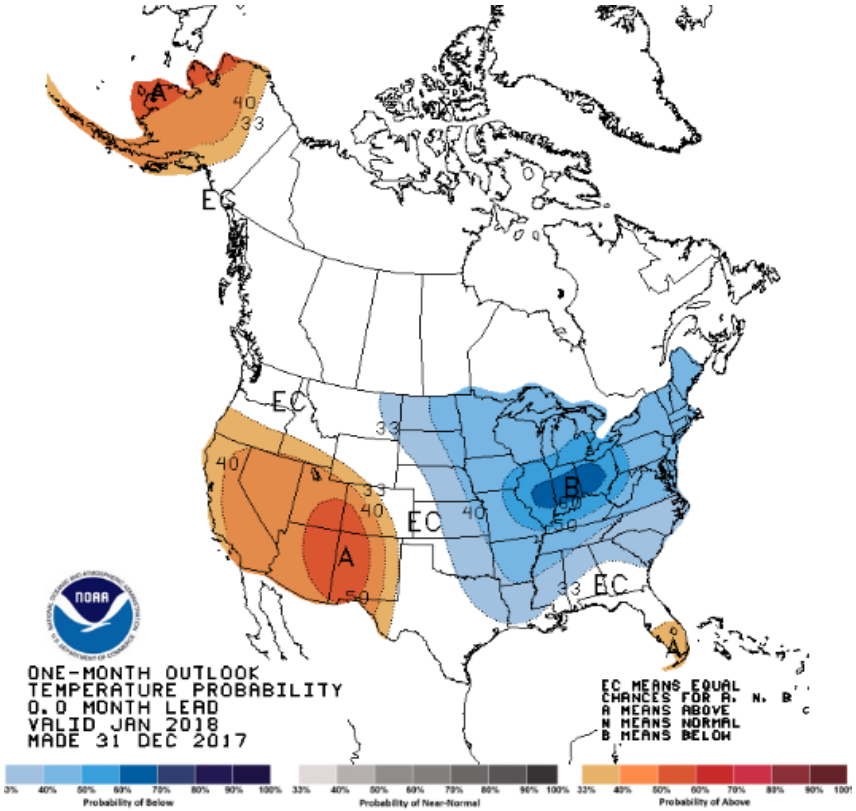
Source: MDA

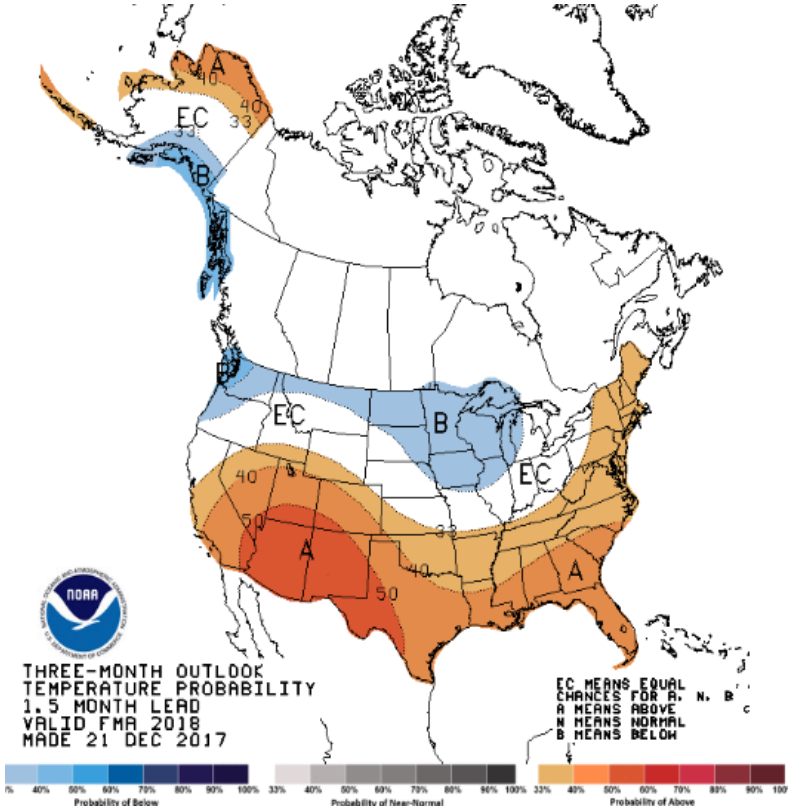
Weather Forecasts

National Weather Service

Jan'18



Feb'18– Apr'18



Source: NOAA (National Weather Service)

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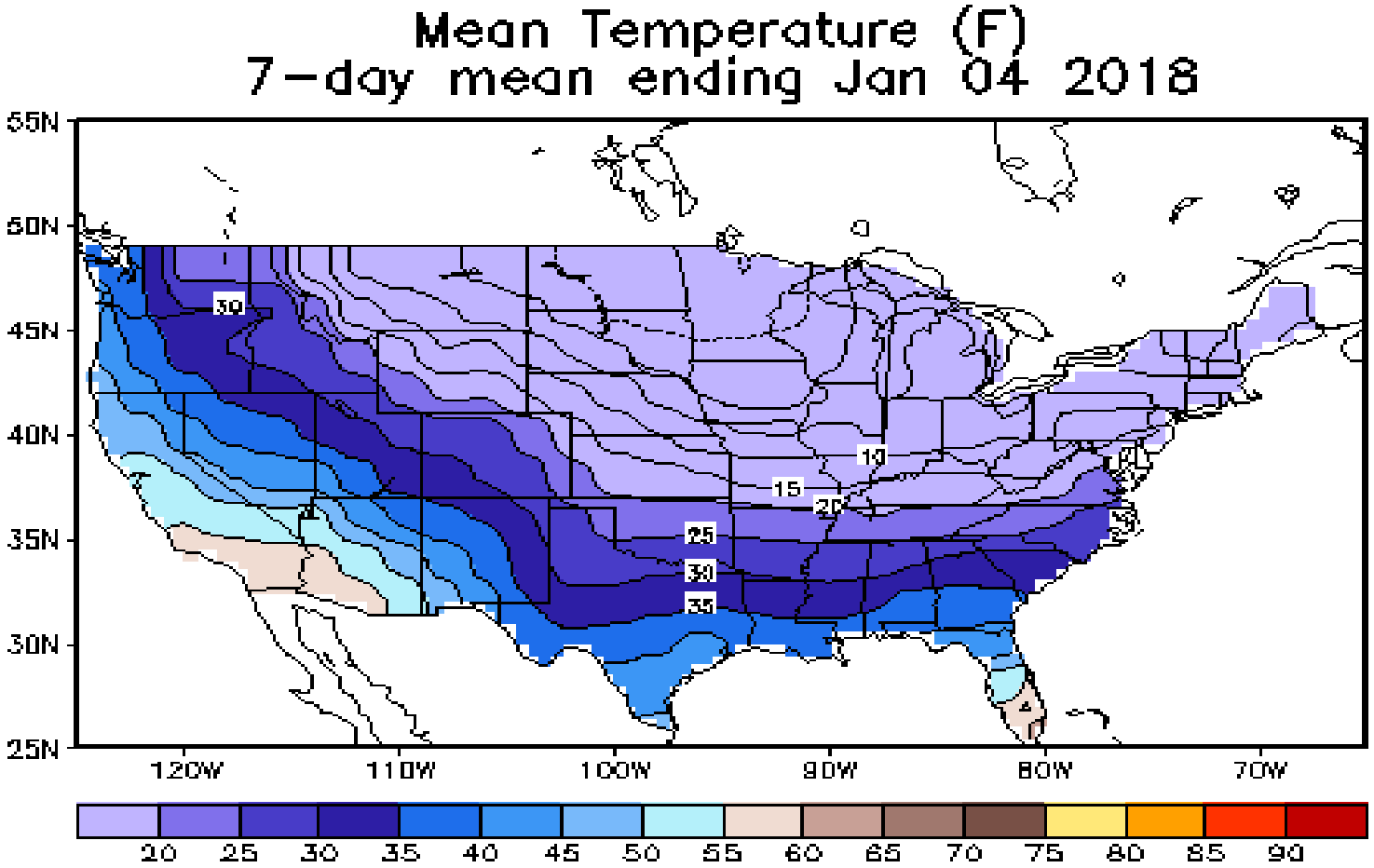
The gift that keeps on giving…



Source: NOAA (National Weather Service)

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Henry Hub Spot Prices

Source: EIA, NGI

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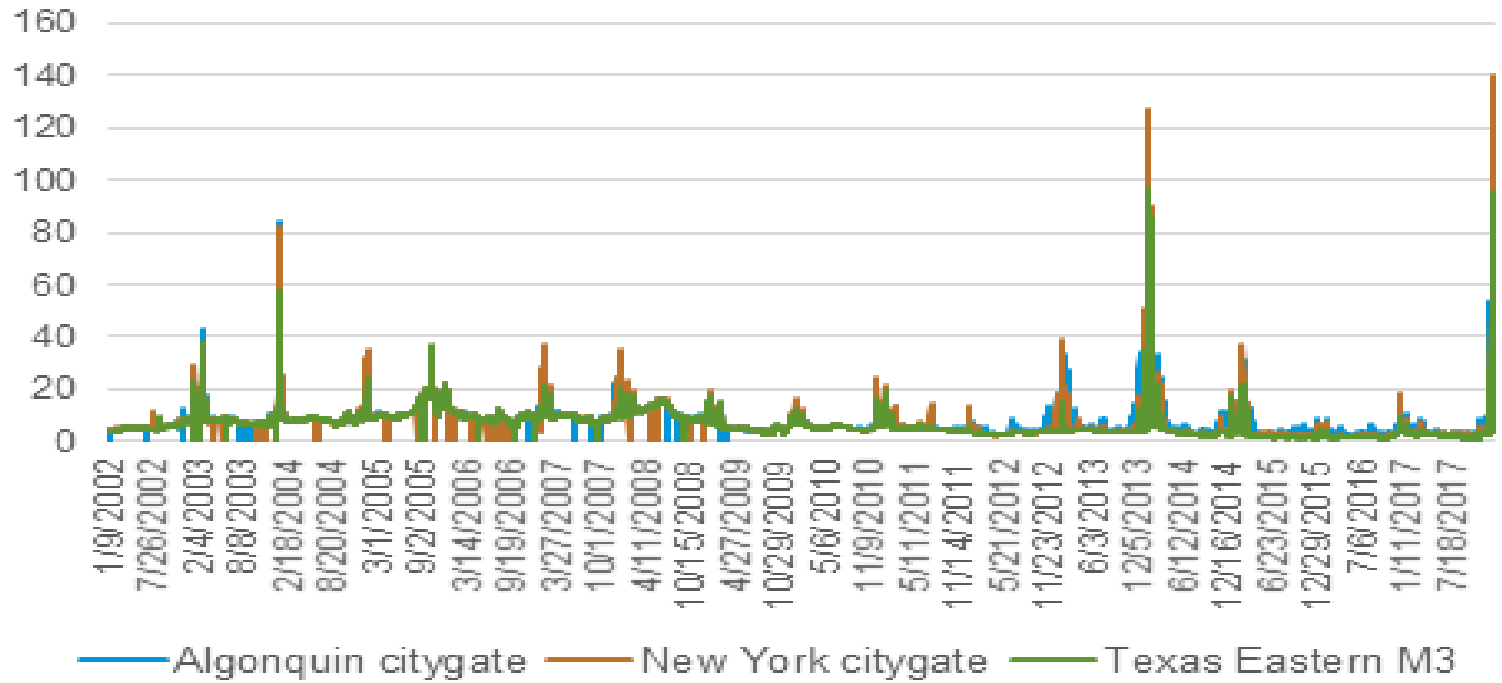
Extreme Conditions = Extreme Prices

Natural gas spot prices at selected Northeast market locations

2017 $/million Btu



Source: SNL Energy, U.S. Energy Information Administration
Note: Prices expressed in real November 2017 terms

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Cold Temps + Extreme Demand

- Not everyone did…
- Dec 26th - $3.26
- Dec 27th - $10.58 Baby, it's cold outside!
- Dec 28th - $14.27
- Dec 29th/31st - $15.45 It's really cold outside!
- Jan 1st/2nd - $32.60 Happy New Year?
- Jan 3rd - $18.80 Whew! News: WV plant down 700k and well freeze-offs.
- Jan 4th - $51.23 What? News: Cyclone Bomb hitting NE. NE supply -5%.
- Jan 5th - $128.39 #@&%&%#@!&
- Jan 6th/8th - $31.37 My head is still spinning…
- Jan 9th - $3.31

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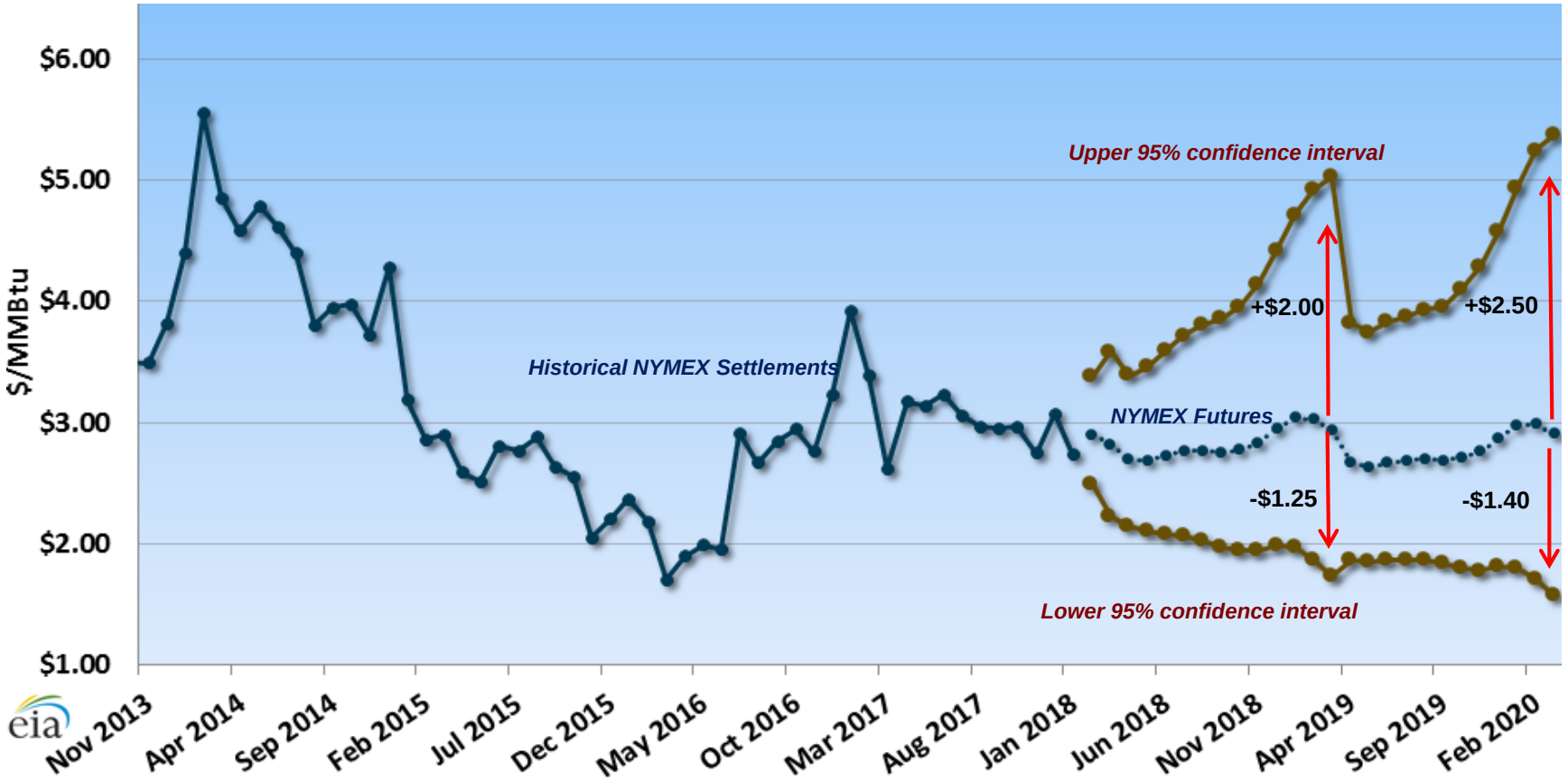
NYMEX Prices – Confidence Intervals



- Implied volatilities in the NYMEX options futures are skewed to the call side which depicts more upside risk for prices over the next two years than downside potential

Sources: EIA, CME

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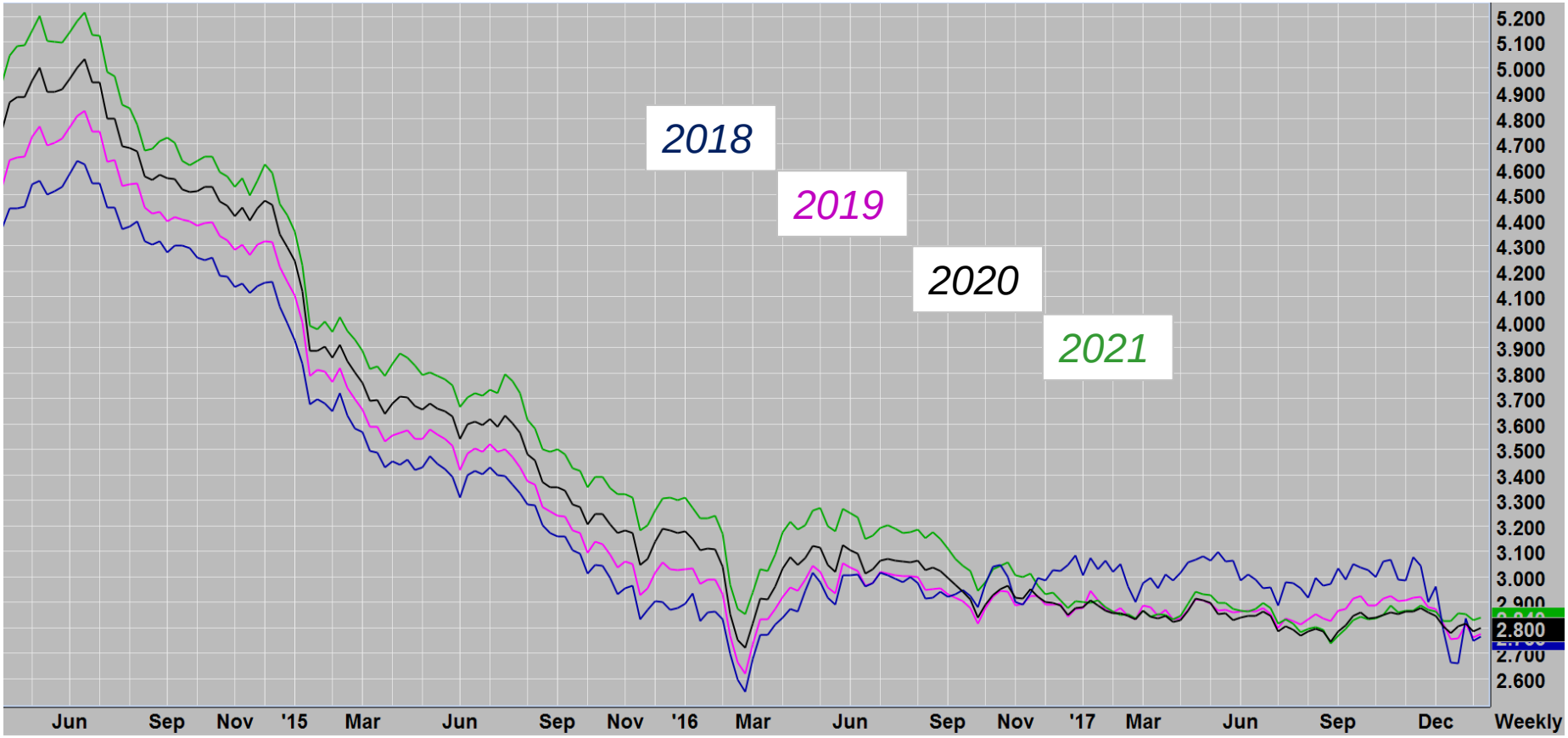
NYMEX Prices – Calendar Year (CY) Strips



- Calendar 19 reached a low in February 2016 trading; the market has remained supported above this level
- Gas consumers are taking advantage of these historically low futures prices and locking portions of their gas needs for two, three, and even four or five years out

Source: FutureSource (Oracle Corporation), CME

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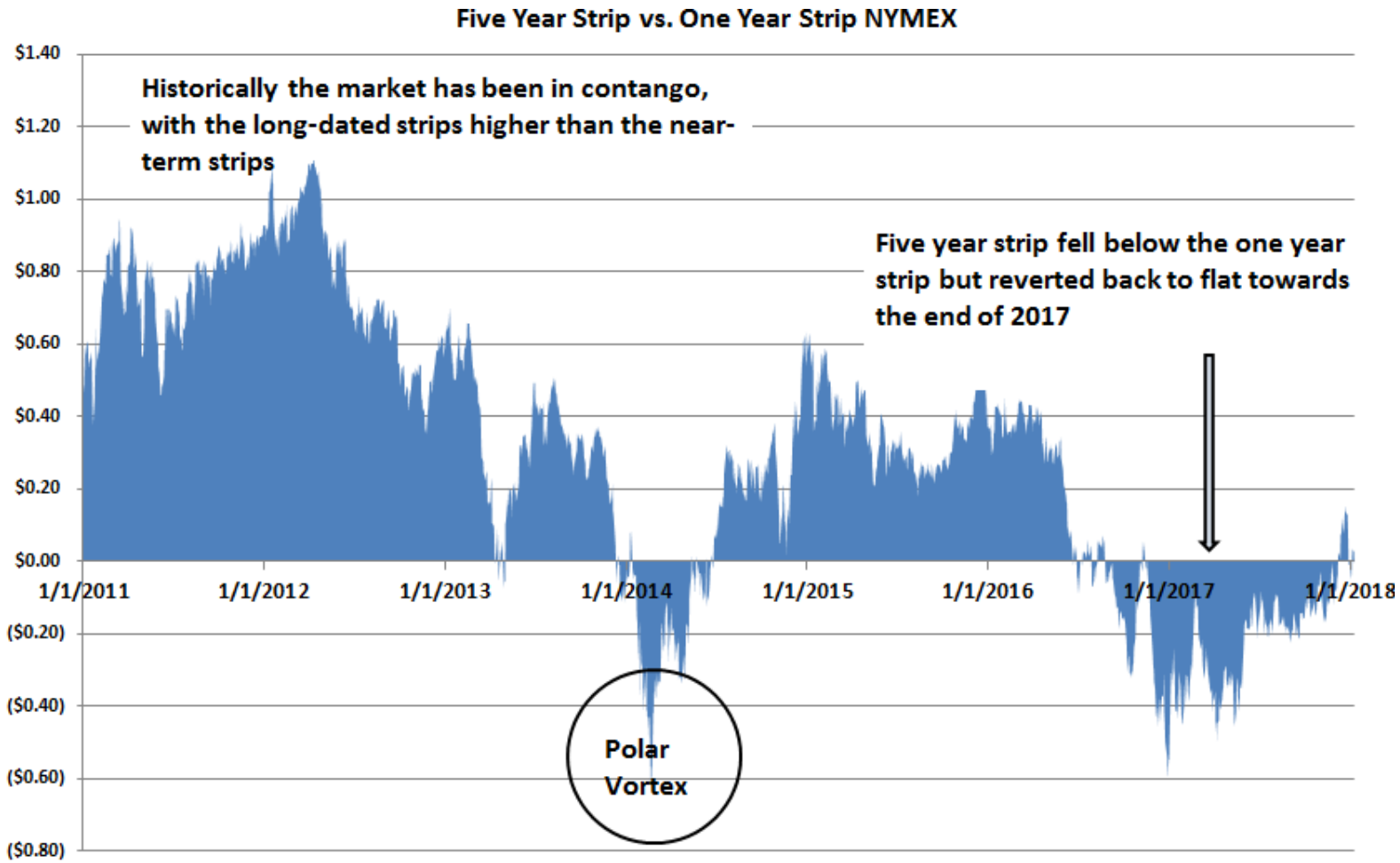
NYMEX Strip Prices



Source: FutureSource (Oracle Corporation), CME

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NYMEX Pricing History

Sources: FutureSource (Oracle Corporation), CME, EIA

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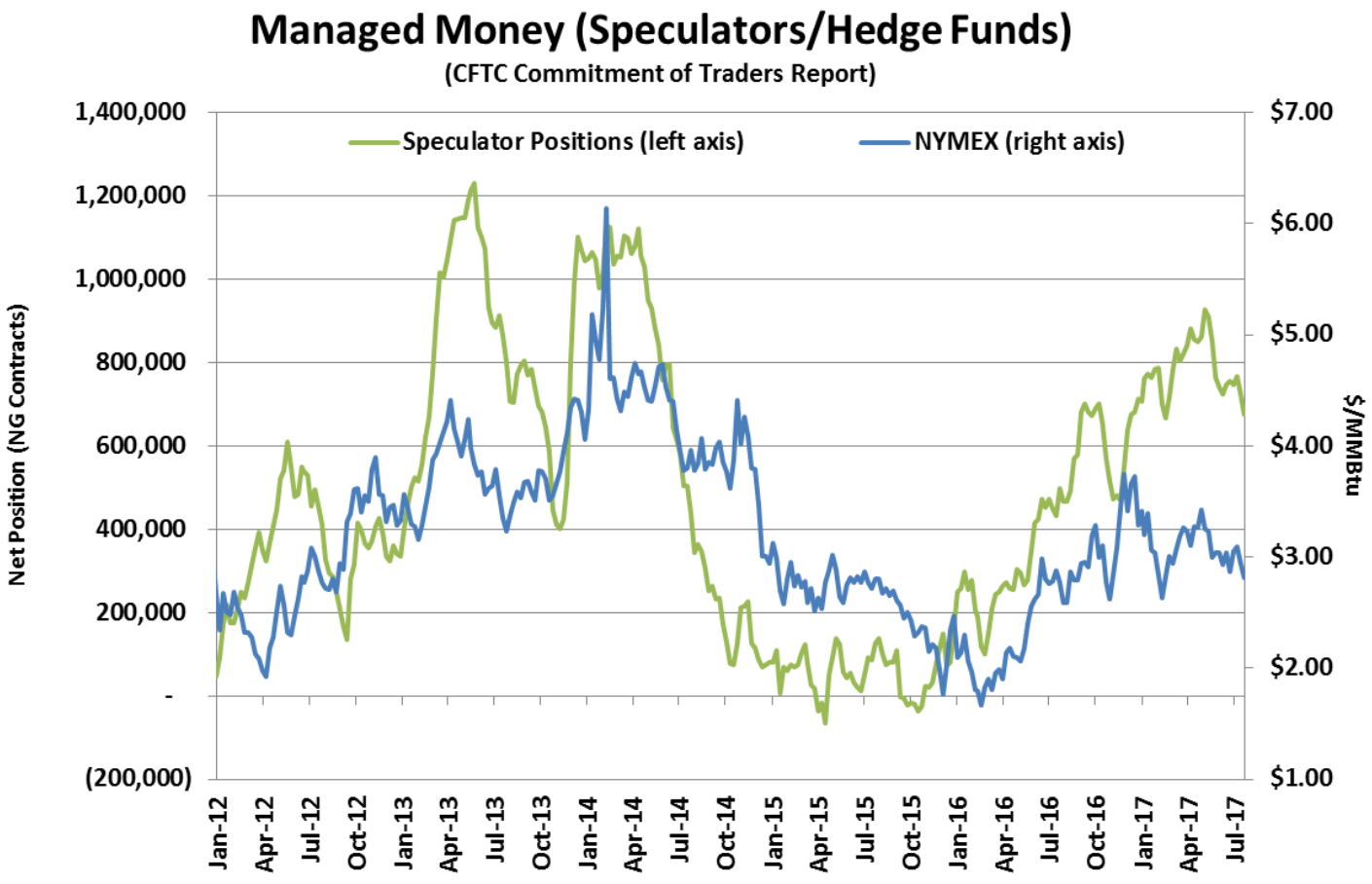
CFTC Reports

- Changes in speculators net natural gas contract positions can at times be a leading indicator for price direction
- The CFTC's Commitment of Traders Report indicates speculators net long position in natural gas is the highest its been since the Polar Vortex winter – meaning they think prices are going higher



Source: EIA

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Bull/Bear Market Summary

Production

- Dry gas production has recently reached record highs at 78 Bcf/d
- EIA projects production to reach 81 Bcf/d by the end of 2018 as the Marcellus, Utica, Permian, and Haynesville LA production numbers continue to grow
- Total rig count has rebounded to over 900 rigs after reaching a low of near 400 in 2016
- Between December 2017 and March 2018, 4 Bcf/d of additional pipeline capacity is expected to come in service from the Northeast to the Midwest and Southeast markets

Storage

- The weekly EIA storage report for the first week of January set a new record for a weekly withdrawal from storage at 359 Bcf, putting the deficit to last year's level at 415 Bcf and the deficit to the five year average at 382 Bcf
- As of the beginning of January 2018, the EIA futures contracts for end of withdrawal season (early April) that trade on the Intercontinental Exchange (ICE) have fallen to 1.30 Tcf which would be over 750 Bcf below prior year and 400 Bcf below the five year average
- Historically when storage levels fall below the five year average it is indicative of tight market conditions and typically translates into higher prices

Imports/ Exports

- Exports have seen strong growth over the past year, led by LNG exports and pipelines exports to Mexico
- Exports to Mexico are poised to grow further as pipelines that have been seeing delays on the Mexican side of the border are finally completed
- Four trains at Sabine Pass are taking feed gas (around 3 Bcf/d) and Dominion's Cove Point LNG started service at the end of 2017 which should add another 0.7 Bcf/d of LNG feedgas demand once fully operational
- Canadian net imports are expected to remain stable

Weather

- December ended very close to normal with the West being quite a bit above normal and the East below normal
- Forecasts for January beyond the first week are tracking near normal with periods of above and below
- Weather vendors are mixed on the February weather forecast in certain regions including the East as meteorologists factor in the weak La Niña pattern's effect. Most forecasters have the Midwest below normal for February.

Demand

- Growth from renewables this year, particularly hydro, wind, and solar have eaten into natural gas' share of the power generation stack
- Industrial demand will continue to grow over the next several years as a number of new fertilizer, methanol, and petrochemical projects come online
- Year over year growth looks promising for Q1 2018 due to February 2017 being the near the warmest on record
- The combination of growth in LNG exports, industrial demand, and exports to Mexico, along with colder weather this winter could put further pressure on storage balances

Economy

- The ISM reported the manufacturing sector expanded for the month of December with a PMI that was 1.5% higher than November at 59.7%
- The BLS jobs report indicated total nonfarm payrolls increased by 148,000 in December and the unemployment rate was unchanged at 4.1%
- S&P 500 and Nasdaq continue to reach record highs
- Oil prices have continued to surge hitting there highest levels since 2014 amid strong demand, falling crude inventories, and production cuts by OPEC

Summary

The February NYMEX contract reached a low of $2.746 on January 5th. It then rebounded off the 20 day moving average of $2.78 to close near $3.08 on January 11th. On one side of the fundamental equation, production is returning to levels before the recent freeze-offs. Production was approaching 78 Bcf/d at its high before the cold snap, but dipped nearly 8% to around 72 Bcf/d on January 1st. As of the 11th, production had rebounded to 76 Bcf/d. However, on the other side of the equation, the market is looking at a storage inventory deficit of nearly 400 Bcf to the five year average after the largest weekly withdrawal on record was reported. Add the fact that February 2017 was one of the warmest on record, there will be considerable pressure on the year over year storage deficit going forward with normal weather. In summary there is risk above $3.00 through the end of winter with any sustained below normal weather due to the tight storage balance. However, production will probably keep any price rally thwarted under normal, non-sustained below normal weather conditions.

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Why CenterPoint Energy Services?

Personal account manager

- Regional account managers who understand your area
- Ability to provide analyses and pricing and answer questions specific to your needs

Expertise, experience and flexibility

- Experienced with pooling supply points and servicing commercial & industrial customers across the US
- Gas delivery, transportation and pipeline services are backed by CenterPoint Energy

Customized analysis and pricing

- Pricing based on a specified index, customized upon your facility needs
- Marketers are incentivized to find the best price for our customers

Up-to-date market intelligence

- Access to daily, weekly and monthly natural gas market information
- Sent straight to your inbox

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Natural Gas Supply During Pipeline Interruptions Using LNG and CNG

James Hulse
Manager Sales Marketing & Business Development

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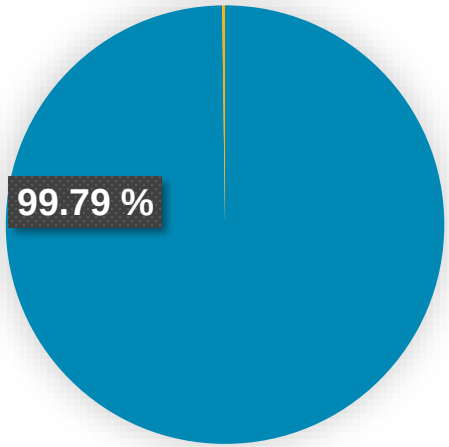
Reliable Natural Gas Supply

Pipelines are generally recognized as the safest and most reliable means of transporting energy.



2006 – 2016
(April 2017 INGAA survey)
Firm Supply delivered at 99.79%

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Interruptions in Natural Gas Supply

Planned outages and Pipeline Integrity Testing

- More than 2.6 million miles of transmission and distribution pipelines.
- Annual spend of $19 billion to maintain the integrity of this nation's infrastructure
- PHMSA requires various testing
  - Current regulation affects 20,000 miles of natural gas pipeline.
  - 2018 (expected) regulation to affect 70,000 miles of natural gas pipeline.
- Shutdowns are common in the testing processes

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Interruptions in Natural Gas Supply cont.

Peak demand and system pressure loss

- Curtailment during peak demand
- System pressure challenges during peak demand

Unplanned outages

- Pipeline system failures
- Natural Disasters

New developments waiting for a pipeline connection

- New development
  - Commercial (expansion / conversion / new build)
  - Residential

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Avoid These Interruptions

All of these causes for natural gas interruptions can be limited and most can be completely avoided.

- Keep your gas flowing
- Keep your business operating
- Eliminate costly down time
- Escalate the relight process
- Temporarily serve new development until pipeline connection is completed

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Mobile Energy Solutions

- Experts in the supply and delivery of portable natural gas
- Industry leaders in the handling of CNG and LNG
- 20 years in business
- More than 100 projects performed yearly
- Continental U.S. coverage
- Highly reliable
- Strict safety practices
- The most advanced equipment available

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Full Scale Fleet

Over 100 pieces of Major Equipment

CNG

CNG tube trailers (30 units)

Portable compression (trailer fill in 60 minutes)

CNG farm tap mini-trailers (50) Units

Natural gas dehydration

CNG cascades (10 Units)

LNG

Up To 700 Psig PLC Controlled

400 Mcf/h Vaporizer (Gas Fired)
250 Mcf/h Vaporizer (Gas Fired)
100 Mcf/h Vaporizer (Ambient)

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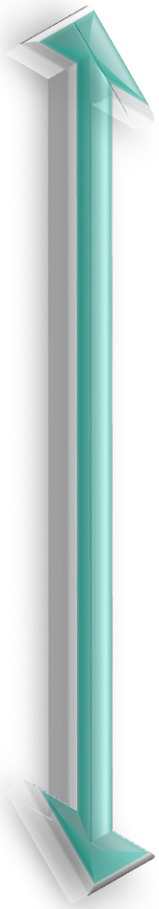
Bridge the Interruptions

CenterPoint Energy Mobile Energy Solutions



Fleet and Expertise to serve the entire spectrum of temporary natural gas supply:

- Individual rural farm taps
- City gate stations and distribution systems
- Large industrial customers

PUBLIC SAFETY SYSTEM EMPLOYEE

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Portable Natural Gas

CNG

- Compressed Natural Gas
- Odorized Pipeline gas minus some moisture
- Stored at 2,600 psig
- 150,000 Scf per trailer
- Delivery Range
  - 0-40 Mcf per hour
  - Up to 2,600 psig

LNG

- Liquified Natural Gas
- Pipeline gas minus CO2 and moisture
- Refrigerated to -260F
- Readily Available
- 820,000 Scf per trailer
- Delivery Range
  - 0 – 500+ Mcf per hour
  - Up to 450 psig

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The Preferred Solution

- Shut down
  - Loss of business up time and production
  - Costly relights of customers, and facilities
- Alternate/Secondary Feed
  - High capitol cost, Increased continued maintenance
- By-pass/Temporary Line
  - Right of way access challenges, un-safe fully exposed pipe, engineering costs

Mobile Energy Solutions®

- Energy when and where you need it
- Safe, Reliable, Prudent, and Cost Effective

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Mobile Energy Solutions

MOBILE NATURAL GAS.

Anytime. Anywhere.

844-MOBILE-4 (844-662-4534)

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Intrastate Pipeline Overview

Jesse Blair

Manager of CEIP

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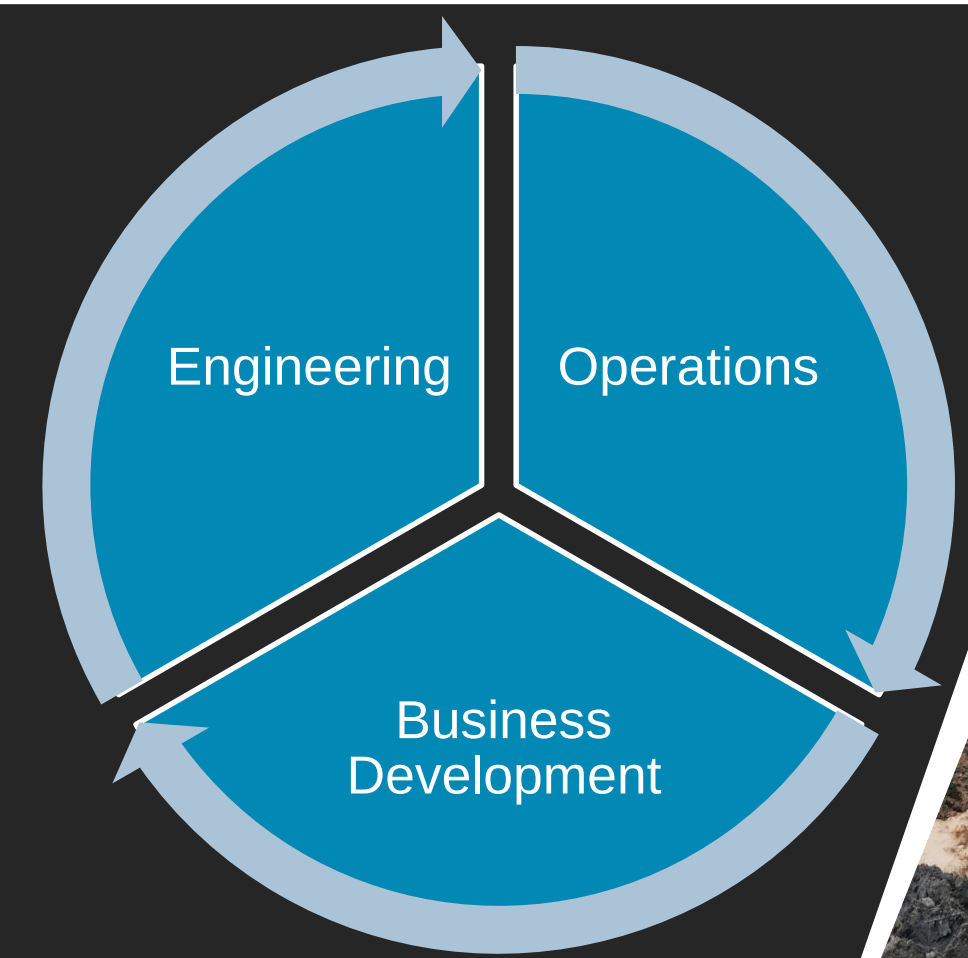
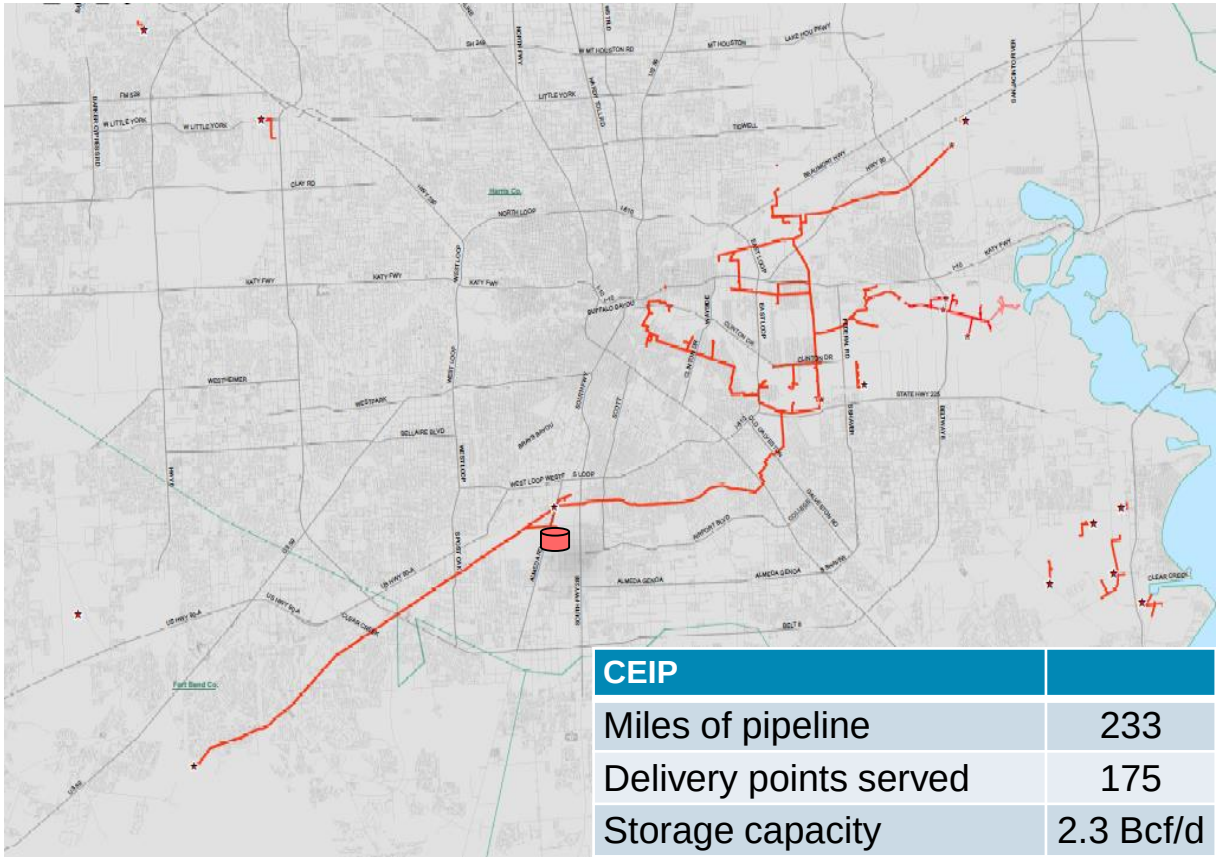
CenterPoint Energy Intrastate Pipeline (CEIP) Team



CEIP Asset Overview

CEIP Houston Area



CEIP	
Miles of pipeline	233
Delivery points served	175
Storage capacity	2.3 Bcf/d

CEIP builds pipeline infrastructure and offers design and project management services

Customers are typically large industrial end users having multiple competitive alternatives for gas supply

Assets in Texas and Louisiana include transportation and bundled sales

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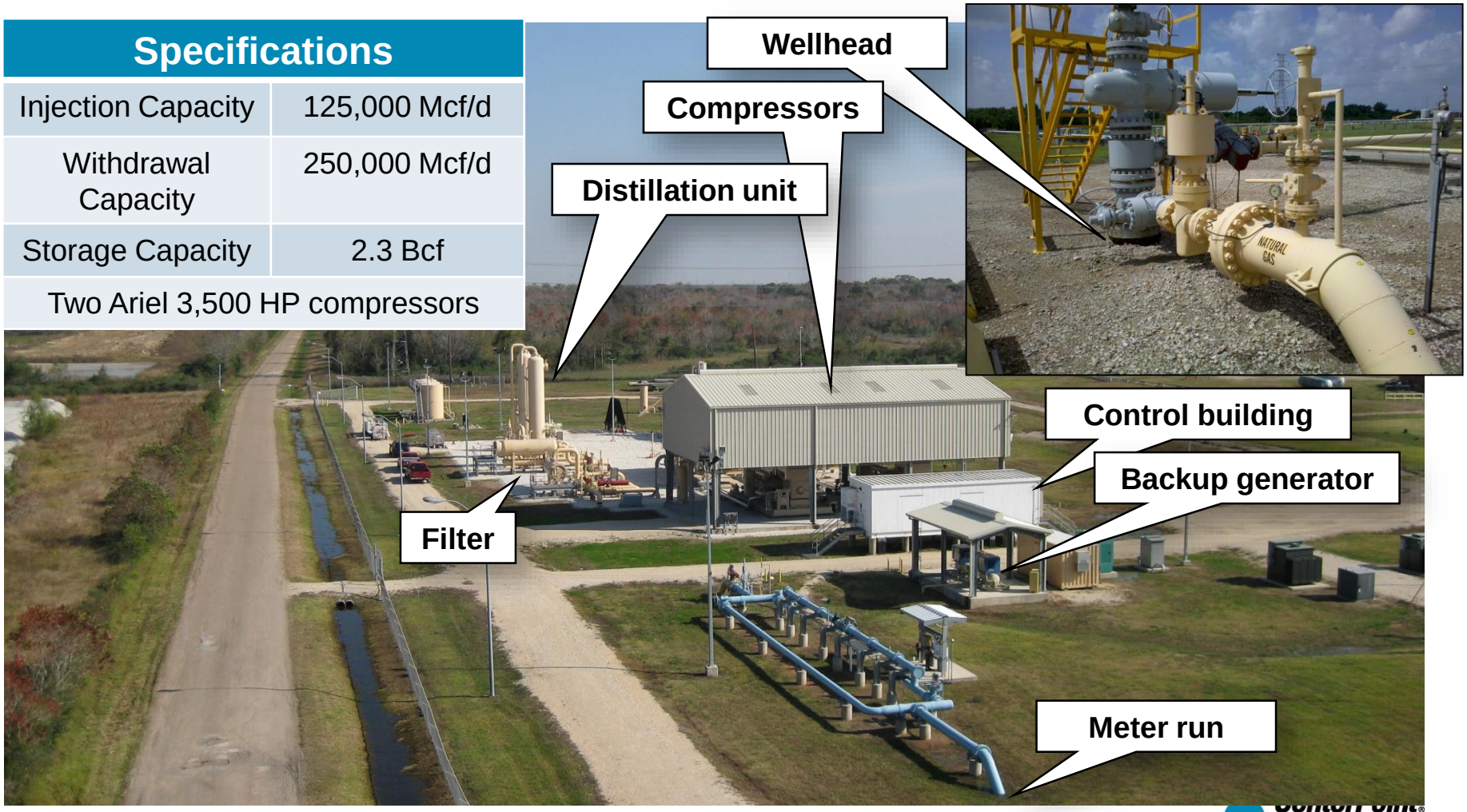
Pierce Junction Storage

Specifications	
Injection Capacity	125,000 Mcf/d
Withdrawal Capacity	250,000 Mcf/d
Storage Capacity	2.3 Bcf
Two Ariel 3,500 HP compressors	



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CEIP Customers

Chemical Plants

Tank Farms/Storage Terminals

Refining Operations

CNG Station

Texas Medical Center

Asphalt Plants

Images: Google Earth & CenterPoint Energy

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New Customer Growth

- Within existing footprint
- Sales team customer interaction
- New and existing site expansion
- Secondary feed for redundant supply
- Dissatisfied with current supply source
  - Pipe interruption and maintenance
  - Gas pressure/quality
  - Cost
- Pipeline acquisitions

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Engineering/Cost Estimate

1. Review the request
   - Location, demand needs, upstream supply source
2. Investigate the proposed route
   - Right of Way, required permits, any regulatory considerations
3. Size the pipe diameter
   - Distance, flow rate, pressure requirements, future growth
4. Station design
   - All parts available or need to be ordered
5. Approval of design and cost

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Contract Execution

- Once price approved, terms are negotiated with customer
- CEIP drafts facilities agreement and creates invoice once executed
- If necessary, CEIP initiates Interconnect Agreement
- Once payment is received, engineering orders materials
- Clock on facilities agreement starts ticking once:
  - All agreements are signed
  - Payment is received
  - All permits and easements have been acquired

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Project Management

- Design (est. 2-3 weeks)
- Approvals (est. 1 week)
- Materials (est. 6 months or less)
- Land/ROW (est. 2+ months)
- Environmental review (est. 2 months)
- Permitting (est. 2 months – 1 year)
- Internal crews vs contractors (est. 2 months)
- Fab shop (est. 2 months)
- Line install (est. 2 weeks)
- Measurement/odorization (est. 1-3 days)
- Commissioning (est. 1 day)

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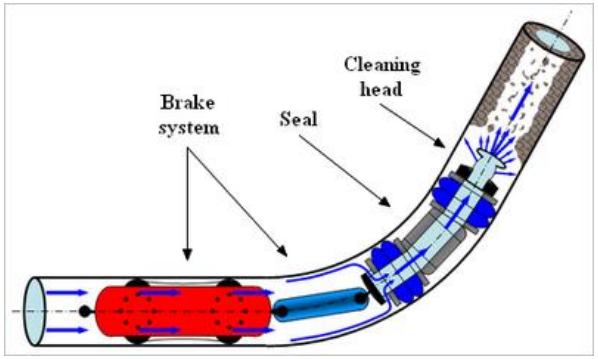
Operations and Maintenance

- System improvement
- Public improvement
- Integrity testing
  - Compliance with new rulemaking
  - Shut-ins and alternative feeds
- Leaks & leak survey
- Corrosion & cathodic protection
- Dig ticket response & encroachments



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Contact Information:

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Thank you!

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