Control Number: 20310

Item Number: 191

Addendum StartPage: 0

Public Utility Commission of Texas
Project NO. 20310
Four Copies (one unbound)

2003 NOV 10 PM 2:47
PUBLIC UTILITY COMMISSION
FILING CLERK

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **October 28, 2003**

CENTERPOINT ENERGY, INC.
(Exact name of registrant as specified in its charter)

Texas	**1-31447**	**74-0694415**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1111 Louisiana Houston, Texas	**77002**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(713) 207-1111**

191

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

The following exhibits are filed herewith:

99.1 CenterPoint Energy, Inc. Slide Presentation

ITEM 9. REGULATION FD DISCLOSURE.

A copy of the slide presentation that CenterPoint Energy, Inc. ("CenterPoint Energy") is presenting to various members of the utility industry and the financial and investment community at the 38th Annual Edison Electric Institute Financial Conference is attached to this report as Exhibit 99.1. A copy of the slide presentation will also be available on CenterPoint Energy's website, www.centerpointenergy.com.

The slide presentation is being furnished, not filed, pursuant to Regulation FD. Accordingly, the slide presentation will not be incorporated by reference into any registration statement filed by CenterPoint Energy under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference. The furnishing of the slide presentation is not intended to, and does not, constitute a determination or admission by CenterPoint Energy that the information the slide presentation is material or complete, or that investors should consider this information before making an investment decision with respect to any security of CenterPoint Energy or any of its affiliates.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CENTERPOINT ENERGY, INC .

Date: October 28, 2003

By: /s/ James S. Brian

James S. Brian

Senior Vice President and

Chief Accounting Officer

EXHIBIT INDEX

Exhibit Number	Exhibit Description
99.1	CenterPoint Energy, Inc. slide presentation at the Edison Electric Institute 38th Annual Financial Conference

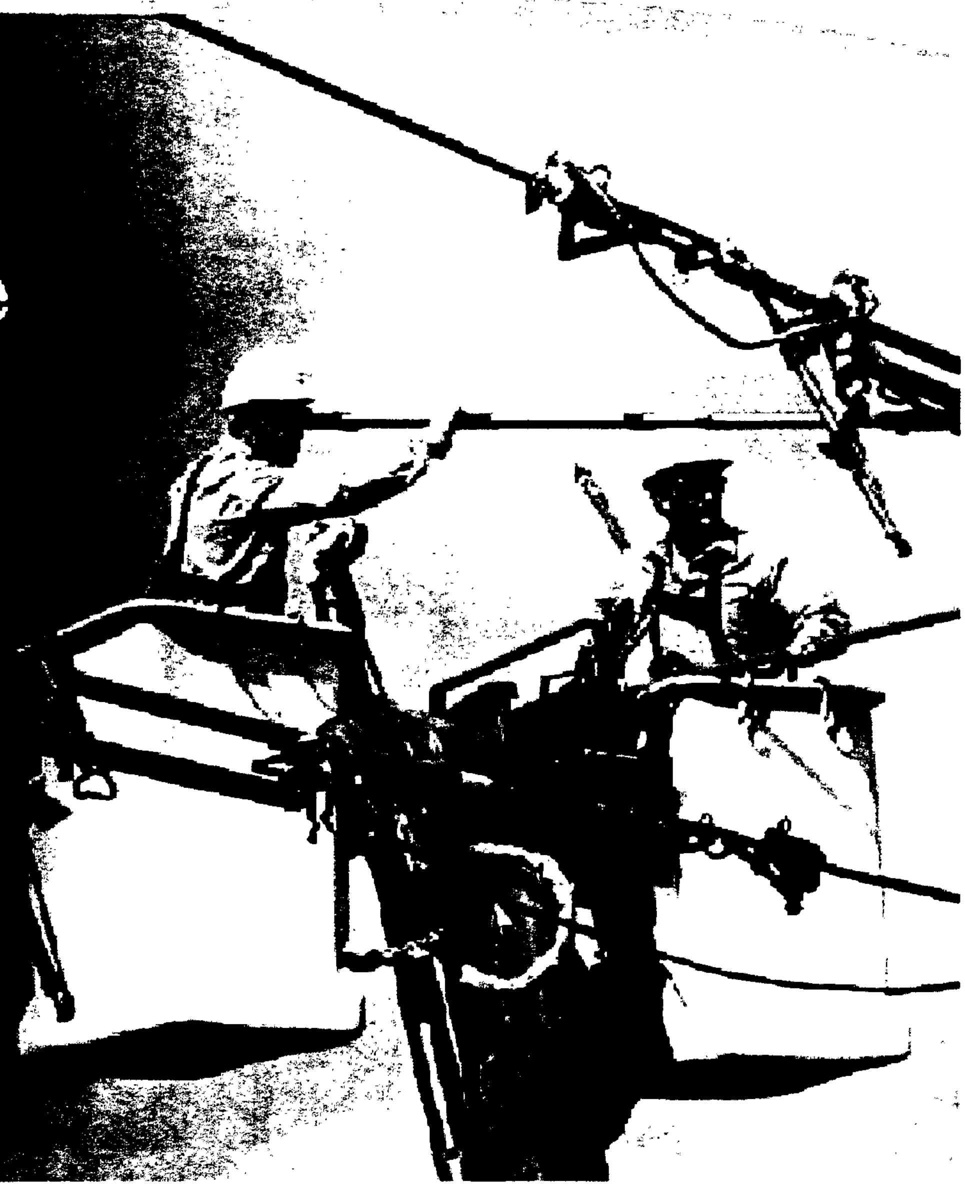
CenterPoint Energy

Edison Electric Institute

38th Annual Financial Conference

Orlando, FL

October 26-28, 2003



www.CenterPointEnergy.com

CenterPoint Energy

David M. McClanahan
President and Chief Executive Officer

Gary L. Whitlock
Executive Vice President and Chief Financial Officer

Marc Kilbride
Vice President and Treasurer

Steven H. Schuler
Vice President Corporate & Business Development

Marianne Paulsen
Director Investor Relations

Zan May
Manager Investor Relations

Cautionary Statement Regarding Forward-Looking Information

CenterPoint Energy

From time to time we make statements concerning our expectations, beliefs, plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are not historical facts. These statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those expressed or implied by these statements. You can generally identify our forward-looking statements by the words "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "goal," "intend," "may," "objective," "plan," "potential," "predict," "projection," "should," "will," or other similar words.

We have based our forward-looking statements on our management's beliefs and assumptions based on information 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 are described under "Risk Factors" beginning on page 59 in Item 5 of Part II of CenterPoint Energy, Inc.'s Form 10-Q for the quarterly period ended June 30, 2003 and under "Management's Discussion and Analysis of Financial Condition and Results of Operations and Selected Financial Data - Certain Factors Affecting Future Earnings" of CenterPoint Energy, Inc.'s current report on Form 8-K dated May 12, 2003 and under "Texas Genco Option" in CenterPoint Energy, Inc.'s current report on Form 8-K dated September 3, 2003.

You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements.

CenterPoint Energy, Inc.

CenterPoint Energy

A Diversified and Stable Energy Delivery Company

<u>Discussion points:</u>

- **Earnings Review**
- **Remaining Transition Steps**
  - Texas Genco option purchase agreement
  - Recovery of stranded investment
- **Strategy and Financial Objectives**

Appendix - Supplemental information

CenterPoint Energy

Earnings Review

CenterPoint Energy
Three months ended September 30

CenterPoint Energy

(in millions)

	3Q 2003	3Q 2002	Fav./ (Unfav.)
Revenues[1]	$2,250	$1,917	$333
Expenses:			
Fuel and cost of gas sold	1,034	811	(223)
Purchased power	20	35	15
Operation and maintenance	392	385	(7)
Depreciation and amortization	160	160	0
Taxes other than income taxes	95	95	0
Total	1,701	1,486	(215)
Operating Income	549	431	118
Other Income/(Expense)	(2)	8	(10)
Interest Expense[2]	(237)	(184)	(53)
Income Tax Expense	(111)	(93)	(18)
Minority Interest	(16)	-	(16)
Income from Continuing Operations	$183	$162	$21
Income from Continuing Operations, per share	$0.60	$0.54	$0.06

(1) includes ECOM true-up of $222 million for 3Q'03 and $240 million for 3Q'02
(2) includes distribution on Trust Preferred Securities

CenterPoint Energy
Nine months ended September 30

(in millions)	YTD 2003	YTD 2002	Fav./ (Unfav.)
Revenues[1]	$7,241	$5,793	$1,448
Expenses:			
Fuel and cost of gas sold	3,973	2,715	(1,258)
Purchased power	55	87	32
Operation and maintenance	1,198	1,146	(52)
Depreciation and amortization	470	460	(10)
Taxes other than income taxes	289	312	23
Total	5,985	4,720	(1,265)
Operating Income	1,256	1,073	183
Other Income/(Expense)	11	(3)	14
Interest Expense[2]	(704)	(470)	(234)
Income Tax Expense	(196)	(207)	11
Minority Interest	(20)	-	(20)
Income from Continuing Operations Before Cumulative Effect of Accounting Change	$347	$393	($46)
Income from Continuing Operations Before Cumulative Effect of Accounting Change, per diluted share	$1.14	$1.32	($0.18)

(1) includes ECOM true-up of $455 million for YTD'03 and $551 million for YTD'02
(2) includes distribution on Trust Preferred Securities

2003 Revised Diluted EPS Guidance: $1.30- $1.40*

*As of October 21, 2003 and not updated

CenterPoint Energy - Three and Nine Months Ended September 30 Operating Income by Segment

CenterPoint Energy

(in millions)

	3Q03	3Q02	Fav./ (Unfav.)	YTD03	YTD02	Fav./ (Unfav.)
Electric Transmission & Distribution:						
Transmission & Distribution Operations	$161	$159	$2	$368	$376	($8)
ECOM True-up	222	240	(18)	455	551	(96)
Total Electric Transmission & Distribution	383	399	(16)	823	927	(104)
Electric Generation	125	7	118	158	(74)	232
Natural Gas Distribution	(5)	(4)	(1)	146	114	32
Pipelines & Gathering	39	43	(4)	124	119	5
Other Operations	7	(14)	21	5	(13)	18
Total Operating Income	$549	$431	$118	$1,256	$1,073	$183

CenterPoint Energy

Remaining Transition Steps

Remaining transition steps - Texas Genco option purchase agreement

CenterPoint Energy

- **Reliant Resources, Inc. (RRI) has the option to purchase CenterPoint Energy's 81% ownership interest**
  - RRI's option exercise period is from January 10, 2004 through January 24, 2004
  - Purchase price is calculated using the highest consecutive 30-day average closing stock price during the 120 trading days immediately preceding January 10, 2004
  - To the extent a control premium is included in the valuation made by the Public Utility Commission of Texas, a control premium of up to 10% may be added
  - As of 10/23/03, floor price of $24.34, or approximately $1.6 billion, has been established under formula in option contract*
- **Management is developing contingency plans for Texas Genco should RRI not exercise its purchase option**
- **In the meantime, Texas Genco will be managed with the intention of maximizing earnings and cash flows through opportunistic forward sales and efficient operations**

*Highest consecutive 30-day average closing price beginning July 22, 2003; excludes potential control premium of up to 10%

Remaining transition steps - Recovery of stranded investment

CenterPoint Energy

- **Defined mechanism for recovery and securitization of stranded costs and regulatory assets provided for in Texas restructuring law**
- **First round of securitization provided for recovery of a portion of our generation-related regulatory assets**
  - Successfully completed in October 2001 with the issuance of $749 million of Transition Bonds
- **The 2004 true-up proceeding, to begin March 31, 2004 when we are scheduled to file our application, sets the stage for the second round of securitization. The four key components of the true-up are:**
  - Regulatory book value of generation assets at year end 2001 (including redirected depreciation and excess mitigation) plus subsequent environmental commitments through April 2003, less market value of Texas Genco based on "partial stock valuation" method*
  - ECOM recorded in 2002-2003
  - Fuel under-recovery for the period from August 1, 1997 through January 30, 2002
  - "Price to beat" clawback (to be reimbursed to us by Reliant Resources)
- **Proceeds from stranded costs recovery will be used to reduce debt**

*For the partial stock valuation method, market value will equal the average daily closing price on the NYSE for TGN stock for the 30 consecutive trading days chosen by the Texas Public Utility Commission (PUC) out of the last 120 trading days immediately preceding the true-up filing, plus a control premium, up to a maximum of 10%.

True-up reconciliation:
Illustrative calculation

CenterPoint Energy

(Note: Illustrates calculation methodology only. Actual values will not be determined until time of stranded costs filing in early 2004)

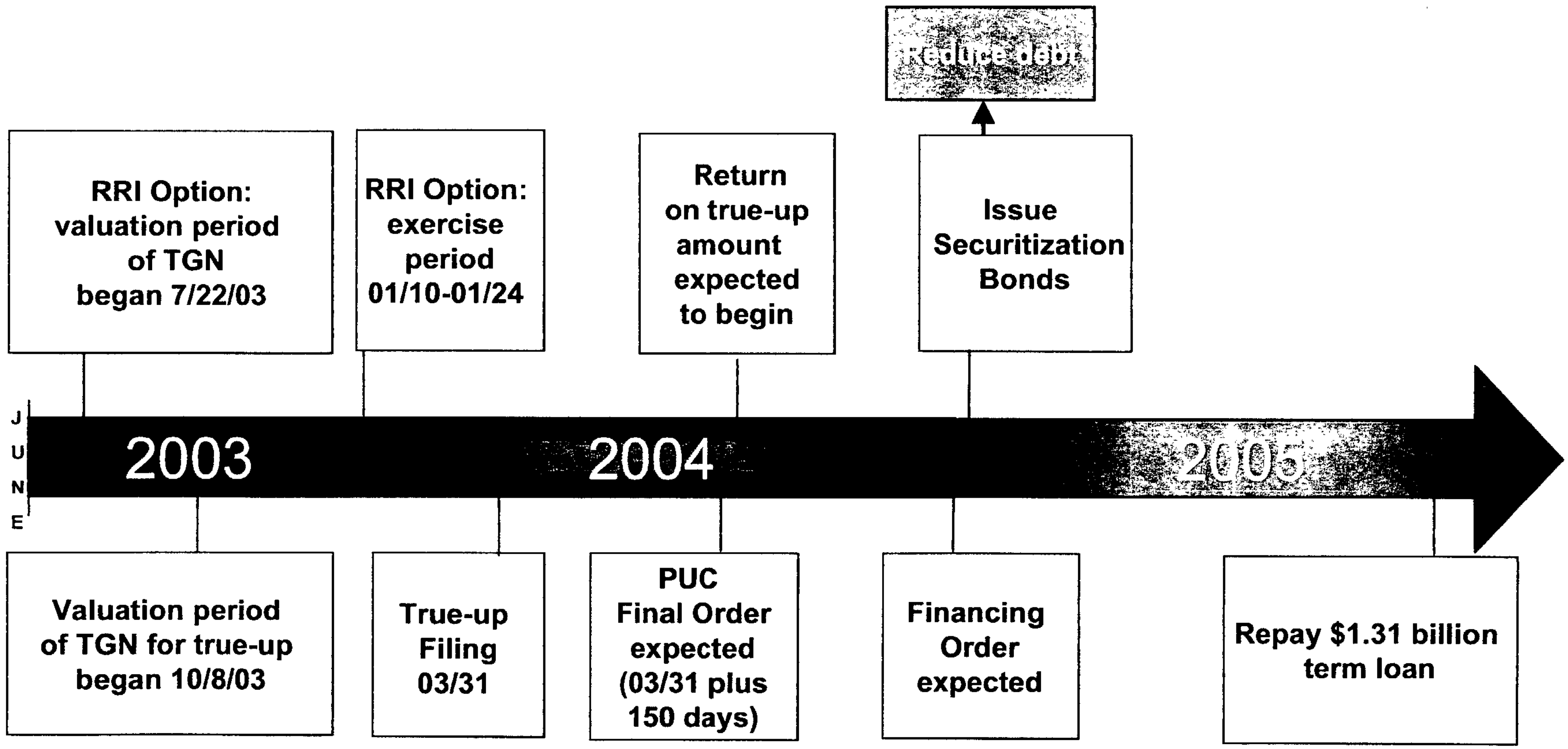
	($ in millions)
Net regulated book value at 12/31/01 (after mitigation)	$3,200
Environmental expenditures (Jan. '02 through April '03)	300
Reversal of T&D redirected depreciation	840
Excess mitigation credits (Jan. '02 through August '04)	600
	$4,940
Less the market value of Texas Genco [a]	(X,XXX)
Total stranded costs to be reconciled	$X,XXX
Plus ECOM (2002 - 2003) [b]	XXX
Plus/minus Other (e.g. fuel under/over recovery, less retail clawback)	XXX
Total items to reconcile at true-up and amount to recover through securitization	$X,XXX

[a] For the partial stock valuation method, market value will equal the average daily closing price on the NYSE for TGN stock for the 30 consecutive trading days chosen by the Texas Public Utility Commission (PUC) out of the last 120 trading days immediately preceding the true-up filing, plus a control premium, up to a maximum of 10%.

[b] Represents the difference between market prices received in the Texas PUC auctions and earlier estimates of those prices in the PUC's ECOM model. ECOM was $1.15 billion through September 2003.

Transition timeline

CenterPoint Energy



CenterPoint Energy

Strategy and Financial Objectives

Our strategy is reflected in three simple phrases: One Company, Get It Right and Grow

CenterPoint Energy

2002 2003 2004 2005 2006

One Company

- Leverage scale and synergies
- Refine business model and remove barriers between business units
- Implement common processes
- Create a single, high performance culture
- Recognize our 130-year history

Get It Right

- Use best practices to achieve top quartile efficiency and operating performance
- Implement process-driven operational excellence
- Achieve high levels of service reliability and customer satisfaction
- Execute our regulatory plan to recover stranded costs and strengthen our balance sheet

Grow

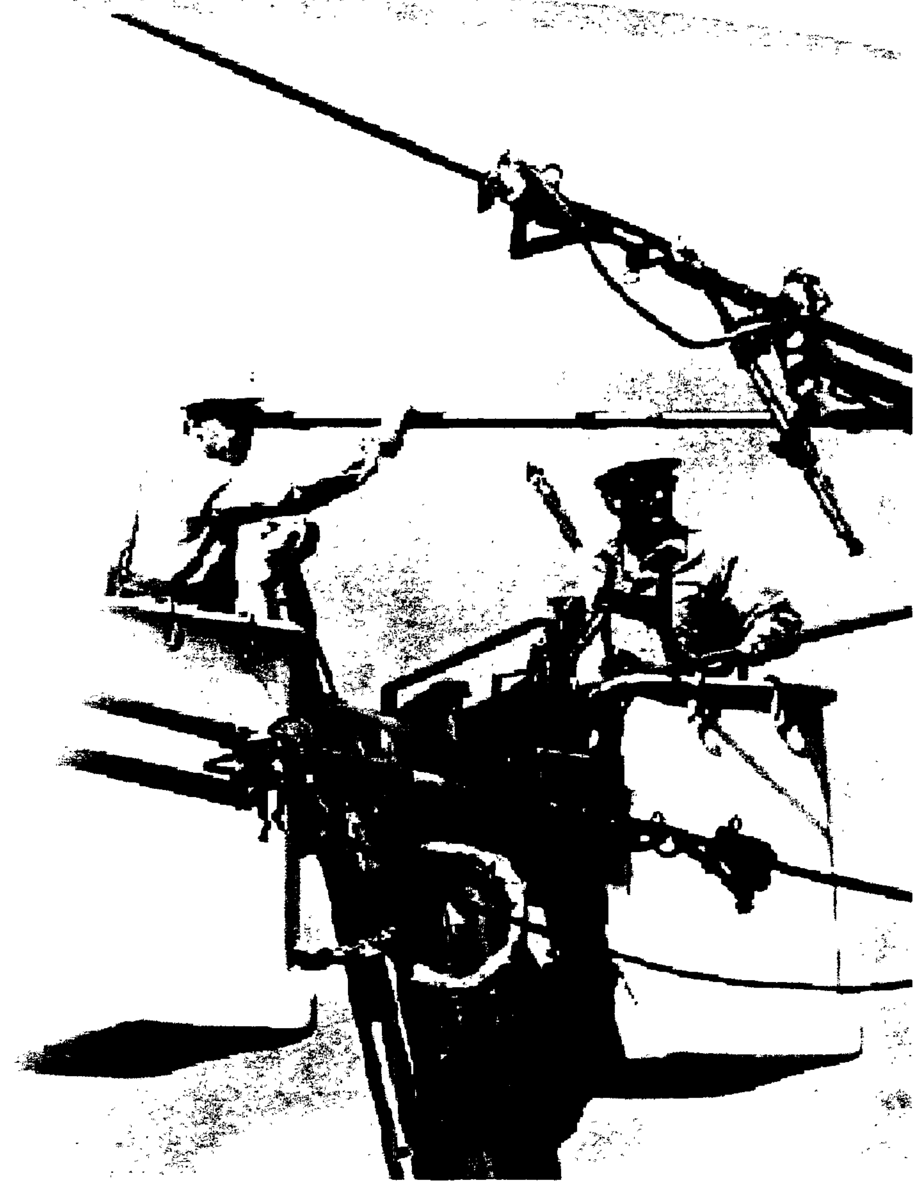
- Focus on domestic energy delivery
- Expand existing core businesses
- Build and expand complementary and synergistic businesses
- Add new energy delivery businesses
- Participate in joint ventures and alliances that create shareholder value

Post transition financial objectives: 2006 and beyond

CenterPoint Energy

- **Objective is to earn $0.85 - $1.00 per share post transition**
  - CNP is focusing on replacing ECOM and Texas Genco earnings by:
    - reducing interest expense
    - achieving allowed returns at LDCs through rate relief and efficiency improvements
    - capturing organic growth in core businesses
    - increasing profitability of complementary businesses, e.g., C & I and gas gathering
    - implementing productivity improvements company-wide
- **Additional growth through synergistic expansion**
- **Target dividend payout of 50 - 70% of sustainable earnings**
- **Strengthen balance sheet**
  - Aggressive working capital and capital expenditure management
  - Optimize debt levels and capital structure
  - Achieve and maintain investment grade ratings

CenterPoint Energy



CenterPoint Energy

Always There.

Appendix

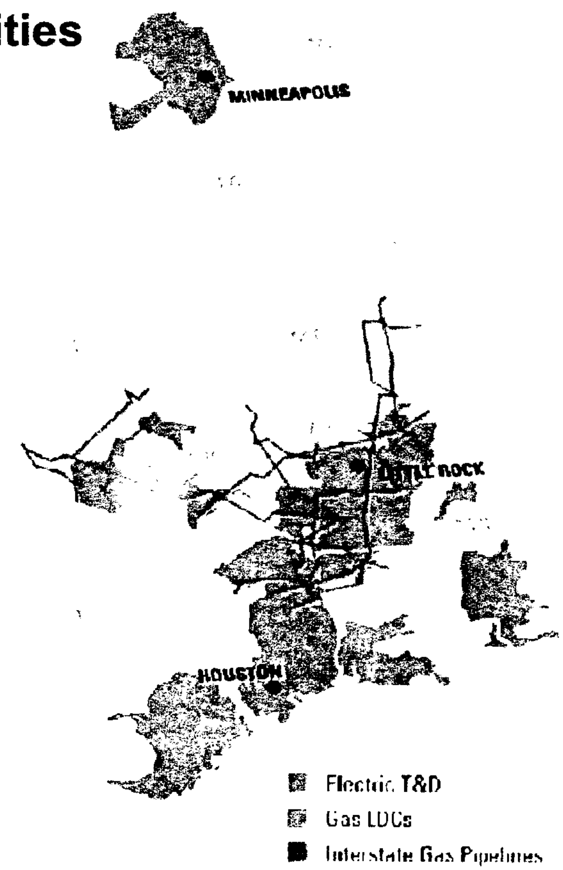
CenterPoint Energy

Company Overview

Who is CenterPoint Energy?

CenterPoint Energy

- **A new company with 130-year heritage**
- **One of the nation's largest combined gas and electric utilities**
  - Serving almost 5 million metered customers
- **Owner of a balanced mix of electric and gas distribution, interstate pipeline and field services businesses**
  - Asset and geographic diversification reduces economic and regulatory risks
  - Attractive diverse service territory
  - Strong brand equity
- **Large position in electric generation- Texas Genco**
  - Reliant Resources, Inc has an option purchase agreement on the 81%ownership position.
- **Defined path to recovery of stranded investment and reduction of corporate debt**
  - Timing of true-up proceeding not impacted by whether or not Reliant Resources exercises its purchase option



Four segments focused primarily on regulated domestic energy delivery

CenterPoint Energy

CenterPoint Energy (NYSE: CNP)

(81%)

Electric Transmission & Distribution (TDU)

CenterPoint Energy Houston Electric, LLC

Operating Income

2002: $400 MM (1)

2003 YTD*: $368 MM (2)

(1) excludes ECOM of $697 MM

(2) excludes ECOM of $455 MM

Natural Gas Distribution

3 local distribution companies

- CenterPoint Energy Arkla
- CenterPoint Energy Entex
- CenterPoint Energy Minnegasco

Commercial & Industrial Gas Services (C&I)

Operating Income

2002: $198 MM

2003 YTD*: $146 MM

Pipelines & Field Services

CenterPoint Energy Gas Transmission Company

CenterPoint Energy - Mississippi River Transmission Corporation

CenterPoint Energy Field Services, Inc.

Operating Income

2002: $153 MM

2003 YTD*: $124 MM

Electric Generation

Texas Genco Holdings, Inc. (NYSE:TGN)

Operating Income

2002: $(133) MM

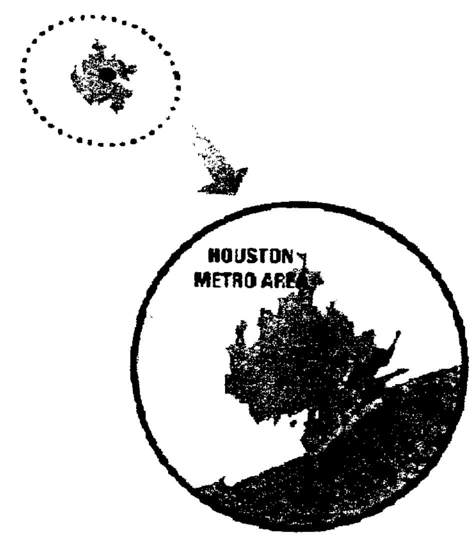
2003 YTD*: $ 158 MM

*** Nine months ended September 30, 2003**

CenterPoint Energy Houston Electric
Electric Transmission & Distribution Utility

CenterPoint Energy

- **Focused strictly on energy delivery**
  - 5,000 square mile service area in and around Houston
  - Approximately 1.8 million metered customers
    - added over 50,000 metered customers in 12 months ended September 2003, a 3% increase
  - Reputation for reliability and high quality service
- **No commodity risk or supply obligation**
- **Regulated by PUC of Texas**
  - 11.25% authorized ROE on 40% equity
  - Rate base of $3.3 billion
- **Recent process improvements have resulted in improved service reliability and reduced capital expenditures**
- **Operating Income:** 2002: $400 MM (excludes ECOM of $697 MM
  YTD 2003*: $368 MM (excludes ECOM of $455 MM)



* Nine months ended September 30, 2003

CenterPoint Energy Resources Corp.

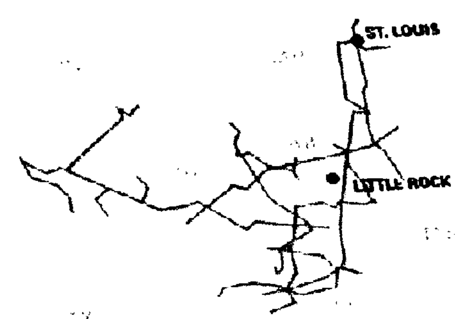
Natural Gas Distribution

- **Three LDCs serving 3 million customers in 6 states**
  - One of U.S.'s largest natural gas distribution operations in terms of number of customers served
- **Attractive service territories**
  - Added over 37,000 customers in 12 months ended September 2003
  - Recognized for high quality service
- **Gas adjustment clauses mitigate fuel price risk; gas procurement plans reviewed with commissions**
- **Regulated by various city and state jurisdictions**
  - Approximate range of 10 -11% authorized ROEs on 50% equity
  - Approximate combined rate base of $1.5 billion
  - Over $50 million in annualized rate increases obtained since January 2002; additional $34 million pending
- **A sizable and growing unregulated Commercial and Industrial (C&I) business**
- **Operating Income:** 2002: $198 MM
  YTD 2003*: $146 MM*

* Nine months ended September 30, 2003

CenterPoint Energy Resources Corp.
Natural Gas Pipelines and Gathering

- **Two FERC-regulated pipelines:**
  - Current system at or near capacity at peak
  - Potential growth in cross haul transportation services
  - Potential expansion opportunity driven by U.S. supply shifts
- **An unregulated gas gathering subsidiary**
  - Minor liquids exposure
  - Good growth potential overall; well-head/field compression monitoring services have strong growth potential
- **Pipelines strategically located at the center of the nation's gas transportation infrastructure**
  - Connected to over 20 other pipelines
- **Steady and consistent earnings and cash flow**
- **Operating Income:** 2002: $153 MM
YTD 2003*: $124 MM



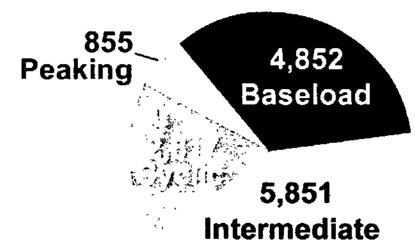
* Nine months ended September 30, 2003

Texas Genco
Electric Generation

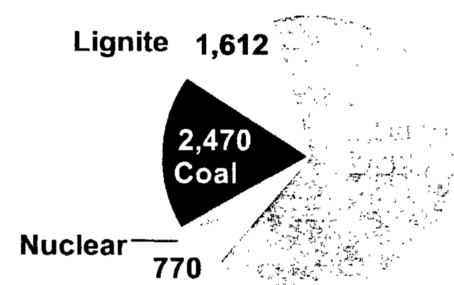
CenterPoint Energy

- **Net generating capacity of 14,175 MW located in the ERCOT market**
- **Attractive, low-cost, solid fuel baseload portfolio (4,852 MW)**
- **Flexible, load following gas fleet (9,323 MW)**
- **Fuel oil switching capabilities in almost 4,000 MW of gas fleet**
- **2003 earnings significantly improved over 2002 despite outages at nuclear unit and coal unit; units currently back in service**
- **Sold forward baseload capacity (@10/21/03):**
  - 2004: 71%, approx. $625 MM revenue under contract
  - 2005: 27%, over $210 MM revenue under contract
- **Operating Income:** 2002: $(133) MM
  YTD 2003*: $158 MM

CAPACITY BY DISPATCH TYPE (MW)



CAPACITY BY FUEL TYPE (MW)



* Nine months ended September 30, 2003

Electric Reliability Council of Texas (ERCOT)

- **ERCOT is unique compared to other regions**
  - It is located entirely within one state
  - It has very limited interconnections with other power pools
  - Such interconnections are solely through direct current (DC) ties that electrically isolate utilities in ERCOT
- **ERCOT is the Independent System Operator (ISO) with commercial as well as reliability and system integrity responsibilities**
  - It does not operate a power pool but only purchases balancing energy and ancillary services
  - It generally meets criteria of FERC Regional Transmission Organization (RTO)
- **ERCOT is responsible for transmission planning together with utilities**
  - Transmission facilities are within the state of Texas and under Texas Public Utility Commission jurisdiction
  - Annually ERCOT identifies needed new transmission facilities based on constraints
  - Utilities perform their own planning for their service areas

CenterPoint Energy

Electric Restructuring and Managing through the Transition

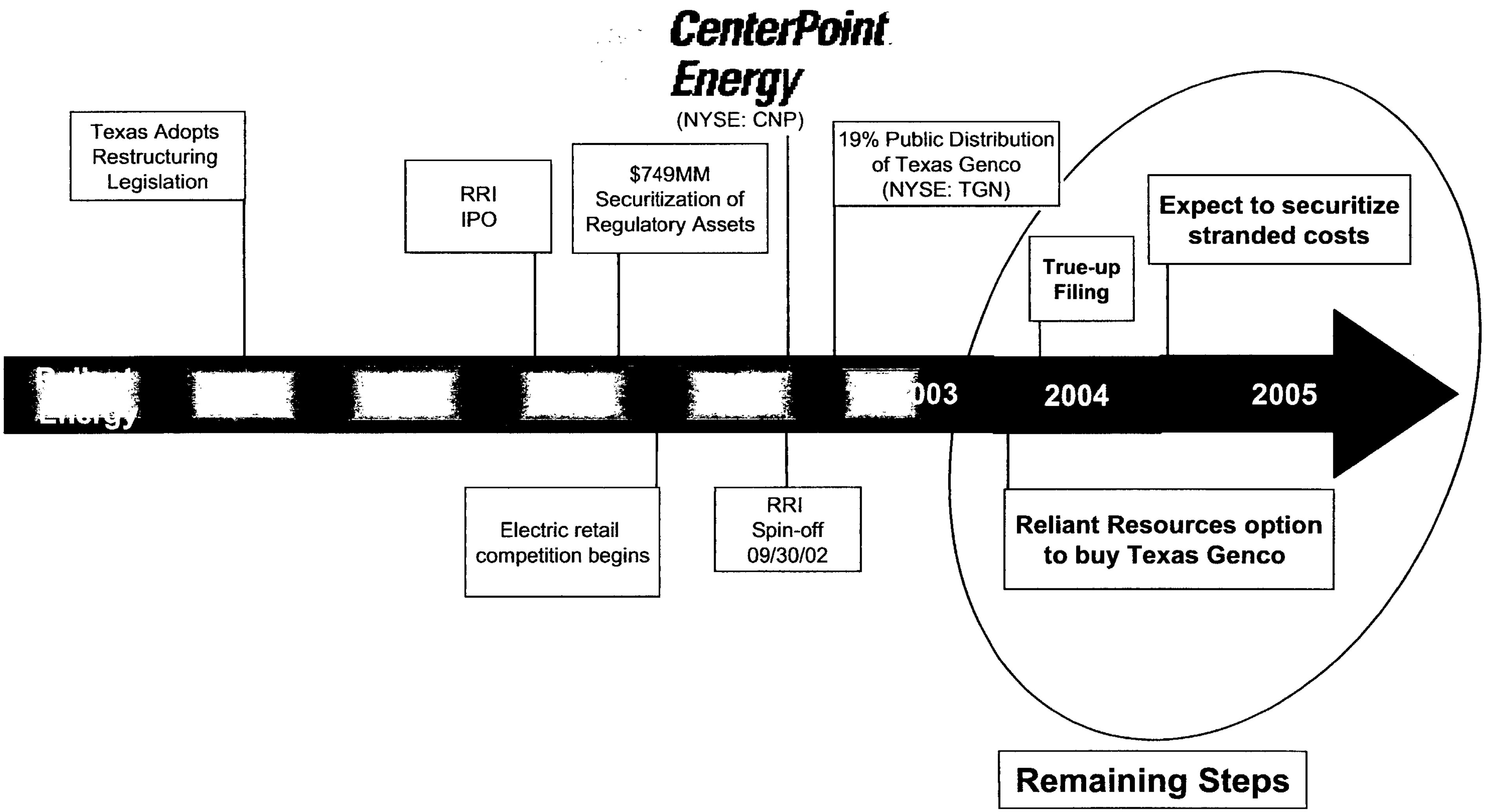
Electric restructuring in Texas

CenterPoint Energy

- **Texas Electric Restructuring Law passed in 1999**
  - Retail competition implemented on January 1, 2002
- **Required the functional unbundling of integrated electric utilities into:**
  - Power generation
  - Transmission and distribution
  - Retail electric provider activities
- **Stranded investment determination occurs two years after retail competition started**
  - CenterPoint Energy will file on March 31, 2004
  - During 2002 and 2003, utilities entitled to record ECOM (Excess Cost Over Market) to the extent market generation prices and PUC projected generation prices are different

CNP evolution

CenterPoint Energy



Remaining transition steps - Texas Genco option purchase agreement

CenterPoint Energy

- **Reliant Resources, Inc. (RRI) has the option to purchase CenterPoint Energy's 81% ownership interest**
  - RRI's option exercise period is from January 10, 2004 through January 24, 2004
  - Purchase price is calculated using the highest consecutive 30-day average closing stock price during the 120 trading days immediately preceding January 10, 2004
  - To the extent a control premium is included in the valuation made by the Public Utility Commission of Texas, a control premium of up to 10% may be added
  - As of 10/23/03, floor price of $24.34, or approximately $1.6 billion, has been established under formula in option contract*
- **Management is developing contingency plans for Texas Genco should RRI not exercise its purchase option**
- **In the meantime, Texas Genco will be managed with the intention of maximizing earnings and cash flows through opportunistic forward sales and efficient operations**

*Highest consecutive 30-day average closing price beginning July 22, 2003; excludes potential control premium of up to 10%

Remaining transition steps - Recovery of stranded investment

CenterPoint Energy

- **Defined mechanism for recovery and securitization of stranded costs and regulatory assets provided for in Texas restructuring law**
- **First round of securitization provided for recovery of a portion of our generation-related regulatory assets**
  - Successfully completed in October 2001 with the issuance of $749 million of Transition Bonds
- **The 2004 true-up proceeding, to begin March 31, 2004 when we are scheduled to file our application, sets the stage for the second round of securitization. The four key components of the true-up are:**
  - Regulatory book value of generation assets at year end 2001 (including redirected depreciation and excess mitigation) plus subsequent environmental commitments through April 2003, less market value of Texas Genco based on "partial stock valuation" method*
  - ECOM recorded in 2002-2003
  - Fuel under-recovery for the period from August 1, 1997 through January 30, 2002
  - "Price to beat" clawback (to be reimbursed to us by Reliant Resources)
- **Proceeds from stranded costs recovery will be used to reduce debt**

*For the partial stock valuation method, market value will equal the average daily closing price on the NYSE for TGN stock for the 30 consecutive trading days chosen by the Texas Public Utility Commission (PUC) out of the last 120 trading days immediately preceding the true-up filing, plus a control premium, up to a maximum of 10%.

True-up reconciliation:
Illustrative calculation

CenterPoint Energy

(Note: Illustrates calculation methodology only. Actual values will not be determined until time of stranded costs filing in early 2004)

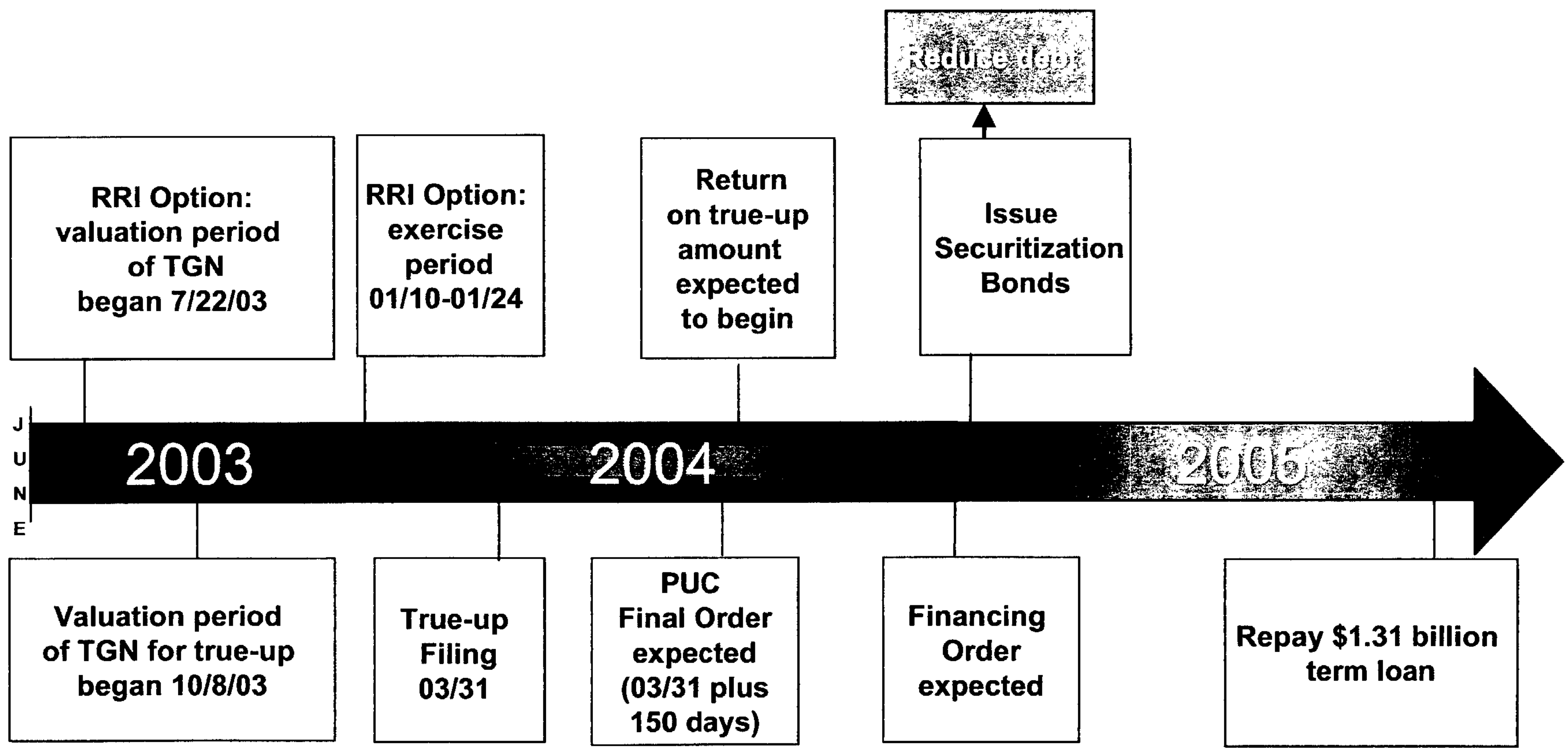
	($ in millions)
Net regulated book value at 12/31/01 (after mitigation)	$3,200
Environmental expenditures (Jan. '02 through April '03)	300
Reversal of T&D redirected depreciation	840
Excess mitigation credits (Jan. '02 through August '04)	600
	$4,940
Less the market value of Texas Genco [a]	(X,XXX)
Total stranded costs to be reconciled	$X,XXX
Plus ECOM (2002 - 2003) [b]	XXX
Plus/minus Other (e.g. fuel under/over recovery, less retail clawback)	XXX
Total items to reconcile at true-up and amount to recover through securitization	$X,XXX

[a] For the partial stock valuation method, market value will equal the average daily closing price on the NYSE for TGN stock for the 30 consecutive trading days chosen by the Texas Public Utility Commission (PUC) out of the last 120 trading days immediately preceding the true-up filing, plus a control premium, up to a maximum of 10%.

[b] Represents the difference between market prices received in the Texas PUC auctions and earlier estimates of those prices in the PUC's ECOM model. ECOM was $1.15 billion through September 2003.

Transition timeline

CenterPoint Energy



CenterPoint Energy

Vision and Strategy

Our corporate vision is simple and focused:

CenterPoint Energy

Our Vision

To Be Recognized As America's Leading Energy Delivery Company...and More

"...America's... Energy Delivery..."

- **Focused on domestic energy delivery businesses**
  - Focus on continental, U.S. market
  - Focus on regulated energy delivery

"...and More"

- **Will pursue carefully targeted growth opportunities**
  - Look for complementary businesses that leverage our core businesses
  - Participate in industry consolidation

Our strategy is reflected in three simple phrases: One Company, Get It Right and Grow

CenterPoint Energy

2002 | 2003 | 2004 | 2005 | 2006

One Company

- Leverage scale and synergies
- Refine business model and remove barriers between business units
- Implement common processes
- Create a single, high performance culture
- Recognize our 130-year history

Get It Right

- Use best practices to achieve top quartile efficiency and operating performance
- Implement process-driven operational excellence
- Achieve high levels of service reliability and customer satisfaction
- Execute our regulatory plan to recover stranded costs and strengthen our balance sheet

Grow

- Focus on domestic energy delivery
- Expand existing core businesses
- Build and expand complementary and synergistic businesses
- Add new energy delivery businesses
- Participate in joint ventures and alliances that create shareholder value

CenterPoint Energy

Financial Objectives

Recent transactions provide stability and liquidity

CenterPoint Energy

- **Raised over $3.5 billion through the capital markets since March, 2003**
  - $1.5 billion issued at CenterPoint Energy, Inc. used primarily to reduce parent credit facility, enhance liquidity and refinance higher coupon debt
  - $1.3 billion issued at CenterPoint Energy Houston Electric used to call higher cost debt, repay maturing debt and repay intercompany debt, part of which was used to reduce parent credit facility
  - $762 million issued at CenterPoint Energy Resources Corporation (CERC) used to partially refinance upcoming maturity and to repay an expiring revolving credit facility
- **Established a $200 million revolving credit facility at CERC**
- **Reduced $3.85 billion credit facility to $2.35 billion**
- **Restructured $2.35 billion credit facility**
  - $1.425 billion revolving facility with 12-bank syndicate at LIBOR + 300 bps
  - $925 million term loan from institutional investors at LIBOR + 350 bps
  - Credit facility expires in October 2006
- **No significant debt maturities before expected securitization of stranded investment; liquidity position enhanced**

Near-term financial objectives

CenterPoint Energy

- **Maximize returns**
  - Ensure gas LDCs are earning allowed rates of return
  - Capture growth in existing service territories
  - Implement productivity improvements company-wide
- **Optimize cash flow**
  - Prioritize and defer discretionary capital expenditures through disciplined commitment review process
  - Adopt common business models and take advantage of company scale to optimize operation & maintenance expenditures
- **Strengthen balance sheet**
  - Monetize Texas Genco
  - Securitize stranded costs
  - Reduce debt

Post transition financial objectives: 2006 and beyond

CenterPoint Energy

- **Objective is to earn $0.85 - $1.00 per share post transition**
  - CNP is focusing on replacing ECOM and Texas Genco earnings by:
    - reducing interest expense
    - achieving allowed returns at LDCs through rate relief and efficiency improvements
    - capturing organic growth in core businesses
    - increasing profitability of complementary businesses, e.g., C & I and gas gathering
    - implementing productivity improvements company-wide
- **Additional growth through synergistic expansion**
- **Target dividend payout of 50 - 70% of sustainable earnings**
- **Strengthen balance sheet**
  - Aggressive working capital and capital expenditure management
  - Optimize debt levels and capital structure
  - Achieve and maintain investment grade ratings

Why CenterPoint Energy?
Low risk, diversified business with large scale

CenterPoint Energy

- **Large-scale, diversified regulated domestic energy delivery business**
  - Mix of electric and natural gas assets
- **Stable earnings and cash flow**
- **Attractive service territories**
  - Diversified economic and regulatory position
  - Houston and Minneapolis/St. Paul above national average in growth and consumption
- **Low risk, regulated businesses**
  - No electric commodity obligation at TDU
  - No Provider of Last Resort risk at the TDU
  - Low commodity risk exposure at gas LDCs
- **Defined path to recovery of generation investment and de-leveraging of balance sheet**
- **Well-run core businesses focused on regulated domestic energy delivery**
  - Specific strategies and performance objectives implemented
  - Growth opportunities will evolve as we delever and execute our strategy

CenterPoint Energy

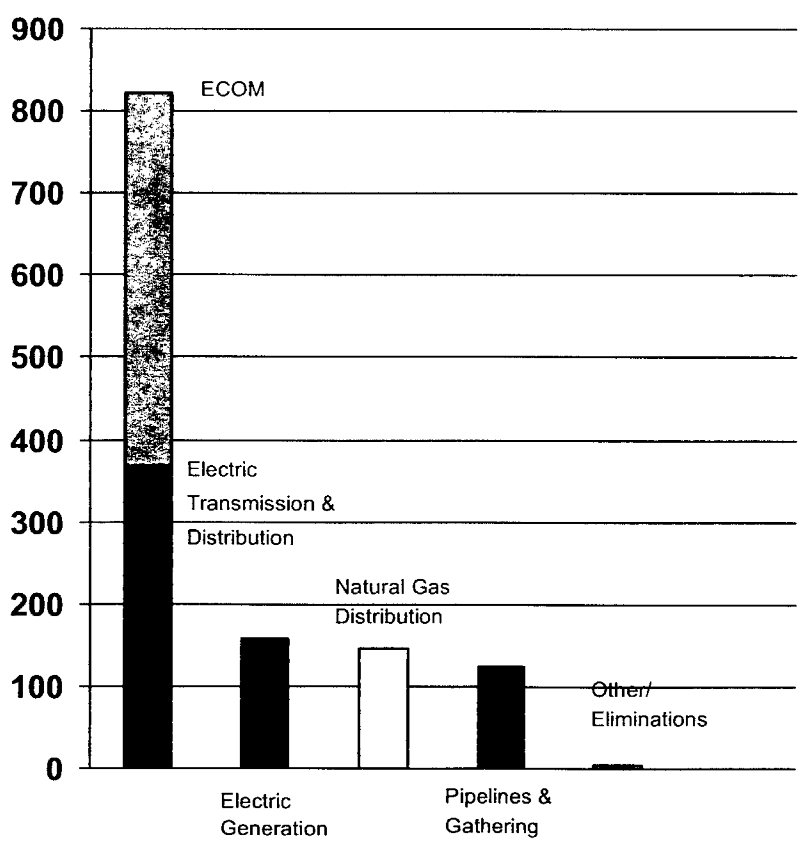
Financial Results

Nine Months Ended September 30, 2003 and 2003 Guidance

CenterPoint Energy

($ in millions, except per share amounts)

September YTD 2003 Operating Income: $1,256



Nine months ended September 30, 2003

Operating Income	$1,256
Other Income	11
Interest Expense*	(704)
Income Taxes	(196)
Minority Interest	(20)
Income from Continuing Operations**	$347
Income from Continuing Operations**, per share	$1.14

2003 Diluted EPS Guidance: $1.30-$1.40***

2003 annualized dividend: $0.40/share

* includes distribution on Trust Preferred Securities

** before cumulative effect of accounting change

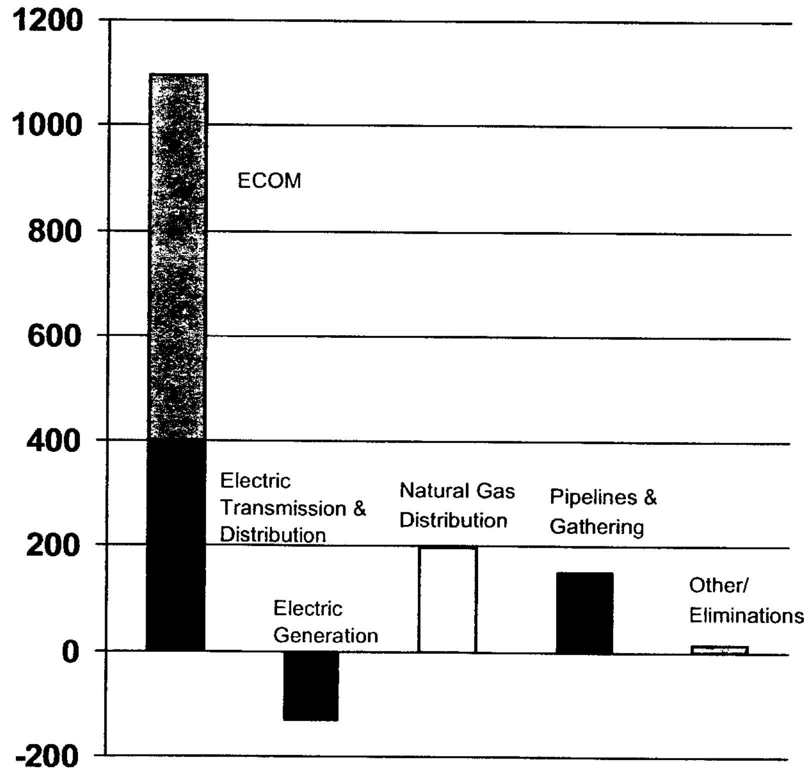
*** as of October 21, 2003 and not updated

2002 Performance

CenterPoint Energy

($ in millions, except per share amounts)

Total 2002 Operating Income: $1,329



2002 RESULTS

Operating Income	$1,329
Other Income	1
Interest Expense*	(765)
Income Taxes	(197)
Income from Continuing Operations**	$366
Income from Continuing Operations**, per share	$1.22

* includes distribution on Trust Preferred Securities

** reflects certain reclassifications subsequent to December 31, 2002 pursuant to SFAS Nos. 144 and 145; See CenterPoint Energy, Inc May 12, 2003 Form 8-K

CenterPoint Energy

Debt & Maturity Schedules