



Control Number: 49421



Item Number: 338

Addendum StartPage: 0

**SOAH DOCKET NO. 473-19-3864
PUC DOCKET NO. 49421**

**APPLICATION OF CENTERPOINT § BEFORE THE STATE OFFICE
ENERGY HOUSTON ELECTRIC, LLC § OF
FOR AUTHORITY TO CHANGE RATES § ADMINISTRATIVE HEARINGS**

May 28, 2019

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**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-01**

QUESTION:

Please identify each issue from the final order in Docket No. 38339 in which CEHE is taking a difference position in this rate case. Please include a brief description of the issue, and provide references to the paragraph number in the Final Order and to the testimony, exhibits and work papers in this rate case where the issue is addressed.

ANSWER:

CenterPoint Houston prepared its filing consistent with the Commission's Rate Filing Package instructions, PURA, and CenterPoint Houston's understanding of Commission precedent. It has not conducted an analysis to determine how each position or fact relevant to its test-year cost of service may or might not be consistent with each issue or paragraph in the Docket No. 38339 Final Order. Where CenterPoint Houston believes particular methodologies or positions are consistent with Commission precedent or Docket No. 38339, it has attempted to indicate that consistency in the direct testimony of its witnesses. Please see that testimony for citations to Docket No. 38339 and other Commission orders.

SPONSOR (PREPARER):
Mickey Moon (Mickey Moon)

RESPONSIVE DOCUMENTS:
None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-02**

QUESTION:

Please provide the O&M expenses by FERC account for each year 2016, 2017, and 2018.

ANSWER:

Please refer to CEHE RFP Schedule II-D-1 and Schedule II-D-2 for O&M expenses by FERC account for the year 2018 and CEHE RFP Schedule II-D-1a and Schedule II-D-2a for O&M expenses by FERC account for years 2016 and 2017.

SPONSOR (PREPARER):

Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-03**

QUESTION:

Please refer to page 14, line 10 through page 15, line 9 of the Direct Testimony of Lynne Harkel-Rumford. Does the "Market Pricing" process to determine components of the CNP compensation program on an ongoing basis use the same survey data points as CNP used to build the 2018 cost basis? If not, what are the differences and why did the cost basis vary from the ongoing basis?

ANSWER:

The Market Pricing process to determine components of CenterPoint Energy's compensation program on an ongoing basis uses the same annually refreshed survey data points to support the test year amount of compensation.

SPONSOR (PREPARER):

Kristie Colvin/Lynne Harkel-Rumford (Kristie Colvin/Lynne Harkel-Rumford)

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-04**

QUESTION:

Please refer to page 17, line 20 through page 18, line 14 of the Direct Testimony of Lynne Harkel-Rumford. Three percent salary increases for most non-executive staff categories, including bargaining employees, were granted and included in 2018. Were there any "adjustments" for future salary increases, besides the 2019 CPA, included in the cost basis?

ANSWER:

Yes. Please refer to the rate filing package 'WP II-D-3 Adj 2', column T "Annual Step Increase" for the union step increase adjustment that is included in the revenue requirement. The step increase within the Apprentice Training Program is described in the support file 'WP LHR-2 Union Contracts (confidential)' page 14.

SPONSOR (PREPARER):

Kristie Colvin/Michelle Townsend/Lynne Harkel-Rumford (Kristie Colvin/Michelle Townsend/Lynne Harkel-Rumford)

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-05**

QUESTION:

Please refer to page 19, lines 19 and 20 of the Direct Testimony of Lynne Harkel- Rumford. Ms. Harkel-Rumford states "Market data obtained from salary surveys is the major component in determining the market reference point." Are there other inferred components? If so, please identify those other components and explain how they are used by CEHE in the review of employee compensation.

ANSWER:

Salary surveys is the only component used to develop the Market Reference Points for each position. However, individual compensation is based on multiple factors such as the market data, company performance, individual performance, experience, skills, competency level and the competitiveness of the market to attract and retain employees.

SPONSOR (PREPARER):

Lynne Harkel-Rumford (Lynne Harkel-Rumford)

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-06**

QUESTION:

Please refer to page 19, lines 16 through 21 of the Direct Testimony of Lynne Harkel- Rumford. Provide specific detail on how the "Market Reference Point" is calculated. Please explain how the "market reference point" is determined? Is the "market reference point" the same as "Market 50th Percentile Total Salaries," in column D of "WP LHR-3 Market Compensation Survey Data Compared to CNP.xls"?

ANSWER:

The Market Reference Point for each position represents the 50th percentile of the market for each position. It is derived by using the market data from benchmark jobs in compensation surveys. The Company is providing an example of the calculation below. The Compensation staff matches CenterPoint Energy jobs to similar jobs in the compensation surveys and utilizes the 50th percentile of those benchmark jobs. When there are multiple benchmarks for one CenterPoint Energy job, the market data is averaged together to get to the final Market Reference Point. This process is referred to as "Market Pricing."

Example.

CNP position: Electrical Engineer I

	25th percentile	50th Percentile (Median)	75th Percentile
Benchmark Job 1	\$50,000	\$60,000	\$75,000
Benchmark Job 2	\$53,000	\$58,000	\$80,000

MRP Calculation:

$$(\$60,000 + \$58,000)/2 = \$59,000$$

Yes, the "market reference point" is the same as "Market 50th Percentile Total Salaries," in column D of "WP LHR-3 Market Compensation Survey Data Compared to CNP.xls", Mkt vs. CNP Comp (second tab). Column D represents the sum of all the Market Reference Points for those positions.

SPONSOR (PREPARER):

Lynne Harkel-Rumford (Lynne Harkel-Rumford)

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-07**

QUESTION:

Please refer to Figure 1 on page 24 of the Direct Testimony of Lynne Harkel-Rumford. This chart is used to show four positions below the market median. Please provide similar data for those positions above market median.

ANSWER:

The attachment titled "COH19-07 Total Cash Compensation Market Comparison.xls" includes the graphical displays of the 6 employees above the market median in total cash compensation for those same positions included in Figure 1. The table below reflects that all experienced level Service Consultants and Financial Analysts were at or below the median, and only 1 Electrical Engineer and 5 Accountants employees were above the market median.

In addition to considering the 50th percentile of the market data for a position, other factors such as individual performance, experience, skills, competency level and the competitiveness of the market to attract and retain employees are used to determine individual employee compensation.

Position	# Employees above the median	# Employees at or below Median
Electrical Engineers	1	51
Financial Analysts	0	9
Service Consultants	0	59
Accountants	5	10

SPONSOR (PREPARER):

Lynne Harkel-Rumford (Lynne Harkel-Rumford)

RESPONSIVE DOCUMENTS:

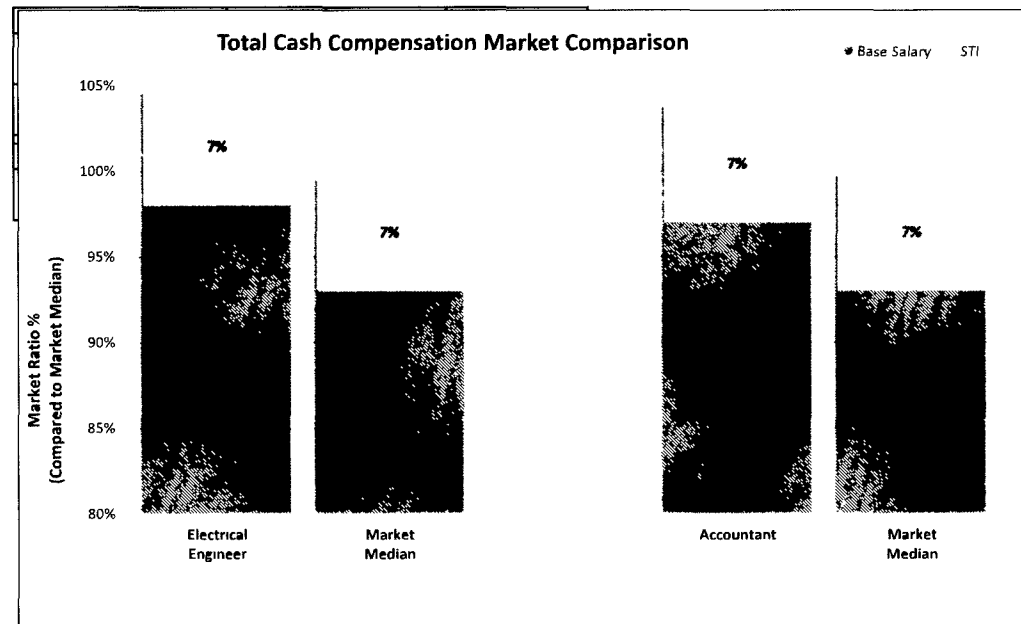
COH19-07 Total Cash Compensation Market Comparison.xls

Market Compa-Ratio Analysis**By Job Title**

Job	CNP Head Count	CNP Base Salaries (Avg)	Market 50th Percentile Base Salaries (Avg)	CNP Base Salaries Compa-Ratio (Avg)	CNP Total Cash Compensation (Avg)	Market 50th Percentile Total Cash Compensation (Avg)	CNP Total Cash Compensation Compa-Ratio (Avg)	CNP STI Amount (Avg)	CNP STI % of Base Salary (Avg)	Market STI Amount (Avg)	Market STI % of Base Salary (Avg)
Electrical Engineer	1	\$96,823.65	\$92,213.00	105%	\$103,601.31	\$98,444.00	105%	\$6,777.66	7%	\$6,231.00	7%
Accountant	5	\$70,577.50	\$68,054.00	104%	\$75,517.93	\$72,726.00	104%	\$4,940.43	7%	\$4,672.00	7%

The chart represents only those employees with a Total Cash Compensation Compa-Ratio above the median

The individual Total Cash Compensation compa ratios for the 5 accountants are: 102.1%, 102.2%, 102.3%, 104.6%, 108%



**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-08**

QUESTION:

Please refer to page 40, lines 2 through 4 of the Direct Testimony of Lynne Harkel- Rumford.
Please provide a copy of the Benefit Restoration Plan.

ANSWER:

Please see:

- COH19-08 CNP Benefit Restoration Plan eff 07 01 1991 and 1st Amendment eff 02 25 2011.pdf
- COH19-08 CNP Benefit Restoration Plan eff 01 01 2008.pdf
- COH19-08 CNP Benefit Restoration Plan eff 01 01 2008 1st Amendment eff 02 25 2011.pdf

SPONSOR (PREPARER):

Lynne Harkel-Rumford (Lynne Harkel-Rumford)

RESPONSIVE DOCUMENTS:

COH19-08 CNP Benefit Restoration Plan eff 07 01 1991 and 1st Amendment eff 02 25 2011.pdf
COH19-08 CNP Benefit Restoration Plan eff 01 01 2008.pdf
COH19-08 CNP Benefit Restoration Plan eff 01 01 2008 1st Amendment eff 02 25 2011.pdf

CENTERPOINT ENERGY BENEFIT RESTORATION PLAN
(Effective as of January 1, 2008)

First Amendment

WHEREAS, CenterPoint Energy, Inc. (the "Company"), maintains the CenterPoint Energy Benefit Restoration Plan, effective as of January 1, 2008 (the "Plan"), for the benefit of its eligible employees; and

WHEREAS, the Company desires to amend the Plan to revise the Plan's administrative claims procedures;

NOW, THEREFORE, the Company, having reserved the right under Section 18 thereof to amend the Plan, hereby amends Section 13 of the Plan, effective as of February 25, 2011, to add a new third sentence after the second sentence of subsection (c) to read as follows:

"Applicants must submit all claims within two years beginning on the later of (1) the date a payment was made, (2) the date of the first in a series of periodic payments or (3) the date on which a claim is incurred."

IN WITNESS WHEREOF, CenterPoint Energy, Inc. has caused these presents to be executed by its duly authorized officer in a number of copies, all of which shall constitute one and the same instrument, which may be sufficiently evidenced by any executed copy hereof, on this 29th day of March, 2011, but effective as of the date specified herein.

CENTERPOINT ENERGY, INC.

By David M. McClanahan
David M. McClanahan
President and Chief Executive Officer

ATTEST:

Richard Dauphin
Richard Dauphin
Assistant Corporate Secretary

CENTERPOINT ENERGY
BENEFIT RESTORATION PLAN
(Effective as of January 1, 2008)

**CENTERPOINT ENERGY
BENEFIT RESTORATION PLAN**
(Effective as of January 1, 2008)

* * * * *

RECITALS:

WHEREAS. CenterPoint Energy, Inc. (the “Company”) maintains the CenterPoint Energy, Inc. Benefit Restoration Plan, effective as of July 1, 1991, and as thereafter amended (the “1991 Plan”), for the benefit of its eligible employees; and

WHEREAS, in response to the enactment of Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”), effective as of January 1, 2005, the Company in operation separated all 1991 Plan benefits earned and vested as of December 31, 2004 (“Grandfathered Benefits”) from all 1991 Plan benefits earned or vested after December 31, 2004 (“409A Benefits”); and

WHEREAS, the Company desires to bifurcate the 1991 Plan such that (1) the Grandfathered Benefits, along with all earnings attributable thereto, shall be maintained under and paid from a separate, frozen plan that is intended to be a “grandfathered” plan exempt from Code Section 409A, which is the 1991 Plan, renamed the CenterPoint Energy, Inc. 1991 Benefit Restoration Plan, and (2) the 409A Benefits, along with all earnings attributable thereto, shall be maintained under and paid from a newly established and separate plan that is intended to comply with the requirements of Code Section 409A, effective as of January 1, 2008;

NOW, THEREFORE, the Company hereby establishes this new plan to maintain and provide the 409A Benefits in the form of the CenterPoint Energy Benefit Restoration Plan, as herein set forth, effective as of January 1, 2008, as follows:

1. Purpose of the Plan. The principal purpose of the CenterPoint Energy Benefit Restoration Plan (the "Plan") is to provide employees of CenterPoint Energy, Inc. whose retirement benefits under the CenterPoint Energy, Inc. Retirement Plan are reduced, curtailed or otherwise limited as a result of the limitations imposed by Section 401(a)(17) and Section 415. The terms of the Plan are applicable only to employees of the Company or its Adopting Subsidiaries if the Section 401(a)(17) or Section 415 limitations affects such individuals' retirement benefits accrued under the Retirement Plan for post-2004 Plan Years or pre-2005 benefits that were not vested as of December 31, 2004, and thus subject to Code Section 409A. In addition, the Plan provides certain employees of the Company with Supplemental Retirement Benefits.

2. Definitions. Except as otherwise provided below or as otherwise indicated in the Plan, the capitalized terms used in the Plan shall have the meaning ascribed to them under the Retirement Plan. For purposes of this Plan, the following definitions shall be applicable:

(a) "1991 Plan" shall mean the CenterPoint Energy, Inc. 1991 Benefit Restoration Plan, effective as of July 1, 1991, and thereafter amended, as in effect on January 1, 2005, which plan is intended to be a "grandfathered plan" for purposes of Code Section 409A. Only benefits earned and vested as of December 31, 2004 (and the earnings thereon) shall be provided under the 1991 Plan.

(b) "Adopting Subsidiary" shall mean a Subsidiary that has adopted the Plan with the approval of the Board of Directors in order to provide benefits under the Plan for its eligible Employees.

(c) "Annuity" shall mean any form of benefit under the Retirement Plan that meets the requirements of life annuities under Treasury Regulation Section 1.409A-2(b)(2)(ii) (or successor regulation).

(d) "Board of Directors" shall mean the Board of Directors of the Company.

(e) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(f) "Committee" shall mean the Benefits Committee of the Company or such other committee designated by the Board of Directors.

(g) "Company" shall mean CenterPoint Energy, Inc., and any successor thereto.

(h) "Deferred Compensation Plan" shall mean, collectively, the CenterPoint Energy 2005 Deferred Compensation Plan, the CenterPoint Energy, Inc. 1989 Deferred Compensation Plan and the CenterPoint Energy, Inc. 1985 Deferred Compensation Plan, or any successor plan thereto.

(i) "Early Retirement Subsidy" shall mean a subsidized retirement benefit under the Retirement Plan if such benefit is taken in the form of an Annuity and the Participant's Separation from Service occurs (i) prior to Normal Retirement Date but (ii) after (1) attaining age 55 with at least 30 years of Vesting Service, if a Prior Plan

Participant; (2) attaining age 55, if a Minnegasco Member; or (3) attaining age 55 with at least 10 years of Vesting Service, if a NorAm Member. Participants hired by the Company or an Adopting Subsidiary on or after January 1, 1999 are not eligible for an Early Retirement Subsidy.

(j) "Employee" shall mean any person who is employed on a salary basis by the Company or an Adopting Subsidiary.

(k) "Participant" shall mean any Employee who is entitled to a Restoration Benefit under the provisions of Paragraph 3 of the Plan.

(l) "Plan" shall mean the CenterPoint Energy Benefit Restoration Plan, effective as of January 1, 2008, and as thereafter amended from time to time

(m) "Plan Benefit" shall mean (1) a Restoration Benefit in the case of a Participant who is not a Supplemental Participant; and (2) a Supplemental Retirement Benefit in the case of a Supplemental Participant.

(n) "Plan Year" shall mean a calendar year (that is the 12-month period commencing on January 1st and ending on December 31st).

(o) "Restoration Benefit" shall have the meaning ascribed to such term in Paragraph 4 of the Plan.

(p) "Retirement Plan" shall mean the CenterPoint Energy, Inc. Retirement Plan, as amended and restated effective January 1, 1999, and as thereafter amended from time to time.

(q) "Section 401(a)(17)" shall mean Code Section 401(a)(17), as adjusted for cost of living increases.

(r) "Section 415" shall mean Code Section 415, as adjusted for cost of living increases.

(s) "Separation from Service" shall mean an Employee's termination of employment from the Company or an Adopting Employer that is a "separation from service" within the meaning of Code Section 409A.

(t) "STI Plan" shall mean the CenterPoint Energy, Inc. Short-Term Incentive Plan, or any successor plan thereto.

(u) "Subsidiary" shall mean a company 50 percent or more of whose voting stock is owned (directly or through another Subsidiary) by the Company and which is an "Employer" under the Retirement Plan (as such term is defined in the Retirement Plan).

(v) "Supplemental Participant" shall mean Johnny Len Blau, James S. Brian, Ricky Lee Campbell, Raymond Ehmer, John C. Houston, Marc Kilbride, David M.

McClanahan, Joseph B. McGoldrick, Sharon Michael Owens, Rufus S. Scott and Tom Standish.

(w) "Supplemental Retirement Benefit" shall have the meaning ascribed to such term in Paragraph 5 of the Plan.

(x) "Supplemental Retirement Benefit Compensation" shall mean "Compensation" as defined in the Retirement Plan as if amended to include (i) any amounts deferred under the Deferred Compensation Plan at the time of deferral and (ii) any annual awards earned by the Supplemental Participant under the STI Plan in the December of the calendar year for which the award was earned. For purposes of clause (ii) above, if the Supplemental Participant is awarded an annual STI Plan award after his Separation from Service ("subsequent award"), such subsequent award shall be considered as Supplemental Retirement Benefit Compensation in the December immediately preceding his Separation from Service (in lieu of such prior December's actual award amount) if and only if the subsequent award amount (x) is greater than the actual annual STI Plan award earned for the year preceding the Participant's Separation from Service and (y) results in a greater benefit payable to the Supplemental Participant under this Plan.

(y) "Transition Participant" shall mean a Participant who had a Separation from Service on or after January 1, 2005, but prior to November 2, 2007, and who has not taken a distribution of his Plan Benefit as of November 1, 2007.

3. Participants. An Employee shall be eligible for a Plan Benefit under the Plan if his retirement benefits accrued and vested under the Retirement Plan in any Plan Year beginning after December 31, 2004, are reduced, curtailed or otherwise limited as a result of the limitations imposed by Section 415 and/or Section 401(a)(17).

4. Restoration Benefit. Upon a Separation from Service of a Participant who is not a Supplemental Participant, the Company will calculate a "Restoration Benefit" for such Participant equal to the result of the following formula (with each such variable as calculated under the appropriate form of payment determined in Paragraph 6 below):

$$\text{Restoration Benefit} = (A - B) - C$$

where:

"A" is equal to the amount of the vested retirement benefit or death benefit, as the case may be, which would have been payable under the Retirement Plan, but for the limitations imposed by Section 415 and/or Section 401(a)(17), as of the Participant's Separation from Service date;

"B" is equal to the amount of the vested retirement benefit or death benefit that would be payable under the terms of the Retirement Plan if the benefit was paid or commenced on the Participant's Separation from Service date; and

“C” is equal to the Participant’s “Restoration Benefit” under the 1991 Plan (as determined below), if applicable.

The Restoration Benefit shall be determined based on the terms of the Retirement Plan, including, but not limited to, the interest and mortality factors and vesting requirements thereunder, as in effect on the first day of the month immediately following the date of the Participant’s date of Separation from Service; *provided, however*, that for a Transition Participant the interest and mortality factors shall be those in effect in calendar year 2008. The Restoration Benefit shall be determined without regard to Code Section 436. In no event shall the Restoration Benefit under this Paragraph 4 be less than zero.

If the Participant has a “Restoration Benefit” under the 1991 Plan as of his Separation from Service, the portion of his Restoration Benefit to be paid under the Plan and the 1991 Plan shall be determined in accordance with the provisions under Treasury Regulation Section 1.409A-6(a)(3)(i) (or successor regulation) and any additional guidance issued by the Internal Revenue Service related thereto.

Notwithstanding the foregoing or any provision of the Plan to the contrary, the vested portion of the retirement benefit accrued under the Retirement Plan for Plan Years beginning prior to January 1, 2005, that are reduced, curtailed or otherwise limited as a result of the limitations imposed by Section 415 and/or Section 401(a)(17) for Participants who were hired by the Company or an Adopting Subsidiary after December 31, 1998, and would otherwise be eligible to be paid as a “Restoration Benefit” under the 1991 Plan, shall be “ungrandfathered” for purposes of Code Section 409A and such benefit shall be paid under this Plan as part of such Participants’ Restoration Benefit (and “C” in the above formula shall be equal to zero for these Participants).

5. Supplemental Retirement Benefit. Upon a Separation from Service of a Supplemental Participant, the Company will calculate a benefit (“Supplemental Retirement Benefit”) for such Supplemental Participant equal to the result of the following formula (with each such variable as calculated under the appropriate form of payment determined in Paragraph 6 below):

$$\text{Supplemental Retirement Benefit} = (A - B) - C$$

where:

“A” is equal to the amount of the vested retirement benefit or death benefit, as the case may be, which would have been payable under the Retirement Plan, determined based on Supplemental Retirement Benefit Compensation in lieu of Compensation under the Retirement Plan, but for the limitations imposed by Section 415 and/or Section 401(a)(17), as of his Separation from Service date;

“B” is equal to the amount of the vested retirement benefit or death benefit that would be payable under the terms of the Retirement Plan if the benefit was paid or commenced on the Supplemental Participant’s Separation from Service date; and

“C” is equal to the Supplemental Participant’s Supplemental Retirement Benefit under the 1991 Plan (as determined below), if applicable.

The Supplemental Retirement Benefit shall be determined based on the terms of the Retirement Plan, including, but not limited to, the interest and mortality factors and vesting requirements thereunder, but using Supplemental Retirement Benefit Compensation in lieu of Compensation under the Retirement Plan, as of the first day of the month immediately following the date of the Participant’s date of Separation from Service; *provided, however*, that for a Transition Participant the interest and mortality factors shall be those in effect in calendar year 2008. The Supplemental Retirement Benefit shall be determined without regard to Code Section 436. A Supplemental Retirement Benefit shall be paid in the same form as the Supplemental Participant’s Restoration Benefit. In no event shall the Supplemental Retirement Benefit under this Paragraph 5 be less than zero.

If the Supplemental Participant has a “Supplemental Retirement Benefit” under the 1991 Plan, the portion of his Supplemental Retirement Benefit to be paid under the Plan and the 1991 Plan shall be determined in accordance with the provisions under Treasury Regulation Section 1.409A-6(a)(3)(i) (or successor regulation) and any additional guidance issued by the Internal Revenue Service related thereto.

6. Form of Payment of Plan Benefit. A Participant’s Plan Benefit shall be paid in the form of either a lump sum or an Annuity, as follows:

(a) Election of Form of Payment. The Plan Benefit of a Participant who (i) is an Employee during the period commencing on January 1, 2005, and ending on November 1, 2007, and (ii) timely filed an irrevocable election pursuant to IRS Notices 2006-79 and 2007-86 with the Committee (or its delegate) prior to December 31, 2007, or such earlier date prescribed by the Committee (“Election Form”), shall be paid in the form of a lump sum or an Annuity as elected on the Election Form.

(b) Form of Payment. The Plan Benefit of a Participant who (i) became a Participant in the Plan prior to January 1, 2008, (ii) did not timely complete and file an Election Form pursuant to Paragraph 6(a) above, and (iii) had a Separation from Service on or after November 2, 2007, shall be paid in the following form, as applicable:

- (1) If eligible for the Early Retirement Subsidy as of the date of the Participant’s Separation from Service, his Plan Benefit shall be paid in the form of an Annuity; and
- (2) If not eligible for the Early Retirement Subsidy as of the date of the Participant’s Separation from Service, his Plan Benefit shall be paid in the form of a lump sum.

The Plan Benefit of an Employee who (i) is a Transition Participant or (ii) becomes a Participant in the Plan on or after January 1, 2008, shall be paid in the form of a lump sum.

(c) Annuity Forms. If a Participant's Plan Benefit will be paid in an Annuity, no later than 60 days after the date of the Participant's Separation from Service, the Participant may choose the form of Annuity from among the forms of Annuities offered under the Retirement Plan as of the date of the Participant's Separation from Service. Such election shall be made pursuant to a written election in the form approved by the Committee, and timely filed with the Committee (or its delegate), and shall be irrevocable. If a Participant fails to timely elect the form of Annuity, then his Plan Benefit shall be paid in the normal form of benefit under the Retirement Plan (e.g., (i) an annuity for the life of the Participant with a survivor annuity payable for the life of the Participant's Spouse, which is 50% of the amount of the annuity payable during the joint lives of the Participant and his Spouse or (ii) a Single Life Annuity, as applicable, under the terms of the Retirement Plan).

7. Payment of Plan Benefit.

(a) General Rule. A Participant's Plan Benefit shall be paid, if in a lump sum, or commence, if an Annuity, on the 60th day after his date of Separation from Service, except as provided in Paragraph 7(b) and 7(c) below.

(b) Transition Period Separation from Service. The Plan Benefit of a Transition Participant shall be paid in calendar year 2008.

(c) Code Section 409A 6-Month Delay. Notwithstanding any provision to the contrary in the Plan, if as of the date of the Participant's Separation from Service (other than by reason of death) the Participant is a "Specified Employee" (within the meaning of that term under Code Section 409A(a)(2)(B)), then the payment of the Participant's Plan Benefit shall not be paid or commence until the later of (i) the date provided under Paragraph 7(a) or Paragraph 7(b), as applicable, or (ii) the earlier of (A) the second day following the expiration of the 6-month period measured from the date of the Participant's Separation from Service, or (B) the date of the Participant's death. In the event a Plan Benefit payment is delayed under this Paragraph 7(c), the Company shall pay to the Participant, as of the date it pays the delayed payment, interest on the delayed amount at the semi-annual, short-term applicable federal rate provided under Code Section 1274(d) as of the Participant's Separation from Service date, based on the number of days the payment was delayed.

8. Contractual Obligation of Company. The benefits described in this Plan are contractual obligations of the Company to pay compensation for services, and shall constitute a liability to the Participants and/or their beneficiaries in accordance with the terms hereof. The payment of such benefits shall be made from the general funds of the Company. No special or separate fund need be established and no segregation of assets need be made to assure the payment of such benefits. No Participant shall have any interest in any particular asset of the Company by virtue of his rights under this Plan. To the extent that any person acquires a right to receive payments from the Company under this Plan, such right shall be no greater than the right of an unsecured general creditor of the Company.

9. Tax Withholding. The Company may withhold from a payment any federal, state, or local employment and income taxes required by law to be withheld with respect to such payment and such sum as the Company may reasonably estimate as necessary to cover any taxes for which the Company may be liable and which may be assessed with regard to such payment. Such withholding may be made by acceleration of the payment of the Plan Benefit, as permitted under Treasury Regulation Section 1.409A-3(j)(4)(vi) (or successor regulation).

10. Administration. The Plan shall be administered, construed and interpreted by the Committee. The determinations by the Committee of the individuals who are eligible to be Participants in the Plan, the selection of Participants from eligible Employees, the amounts of their benefits under the Plan, and the determinations of the Committee as to any disputed questions arising under this Plan, including questions of construction and interpretation, shall be final, binding, and conclusive upon all persons. The Committee may delegate its administrative duties to appropriate employees of the Company and/or third parties. No member of the Committee shall be liable for any act done or determination made in good faith.

11. Plan Expenses. All expenses of administering the Plan shall be borne by the Company.

12. Indemnification and Exculpation. The members of the Committee, its agents, and officers, directors, and employees of the Company and its Affiliates shall be indemnified and held harmless by the Company against and from any and all loss, cost, liability, or expense that may be imposed upon or reasonably incurred by them in connection with or resulting from any claim, action, suit, or proceeding to which they may be a party or in which they may be involved by reason of any action taken or failure to act under this Plan and against and from any and all amounts paid by them in settlement (with the Company's written approval) or paid by them in satisfaction of a judgment in any action, suit or proceeding. The foregoing provision shall not be applicable to any person if the loss, cost, liability, or expense is due to such person's gross negligence or willful misconduct.

13. Claims and Review Procedures.

(a) Claims Procedure. If any person believes he is entitled to any rights or benefits under the Plan, such person may file a claim in writing with the Committee. If any such claim is wholly or partially denied, the Committee will notify such person of its decision in writing. Such notification will contain (i) specific reasons for the denial, (ii) specific reference to pertinent Plan provisions, (iii) a description of any additional material or information necessary for such person to perfect such claim and an explanation of why such material or information is necessary, and (iv) information as to the steps to be taken if the person wishes to submit a request for review, the time limits applicable to such procedures, and a statement of the person's rights following an adverse benefit determination on review, including a statement of his right to file a lawsuit under the Employee Retirement Income Security Act ("ERISA") if the claim is denied on appeal. Such notification will be given within 90 days after the claim is received by the Committee (or within 180 days, if special circumstances require an extension of time for processing the claim, and if written notice of such extension and circumstances is given to such person within the initial 90-day period).

(b) Claim Review Procedure. Within 60 days after the date on which a person receives a notice of denial, such person or his duly authorized representative ("Applicant") may (i) file a written request with the Committee for a review of his denied claim; (ii) review pertinent documents; and (iii) submit issues and comments in writing. The Committee shall render a decision no later than the date of its regularly scheduled meeting next following receipt of a request for review, except that a decision may be rendered no later than the second such meeting if the request is received within 30 days of the first meeting. The Applicant may request a formal hearing before the Committee which the Committee may grant in its discretion. Notwithstanding the foregoing, under special circumstances that require an extension of time for rendering a decision (including, but not limited to, the need to hold a hearing), the decision may be rendered not later than the date of the third regularly scheduled Committee meeting following the receipt of the request for review. If such an extension is required, the Applicant will be advised in writing before the extension begins. If the claim is denied in whole or part, such notice, which shall be in a manner calculated to be understood by the person receiving such notice, shall include (i) the specific reasons for the decision, (ii) the specific references to the pertinent Plan provisions on which the decision is based, (iii) that the Applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim for benefits, and (iv) a statement of the Applicant's right to file a lawsuit under ERISA. Benefits under this Plan will only be paid if the Committee decides, in its discretion, that an Applicant is entitled to them.

(c) Exhaustion of Administrative Remedies. The decision of the Committee on review of the claim denial shall be binding on all parties when the Applicant has exhausted the claims procedure under this Section. Moreover, no action at law or in equity shall be brought to recover benefits under this Plan prior to the date the Applicant has exhausted the administrative remedies under this Section.

14. Non-Alienation of Benefits and Domestic Relation Orders. Except by mutual agreement between the Company and the Participant, any benefit which shall be payable under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge, and any attempt at such shall be void, and any such benefit shall not in any way be subject to the debts, contract, liabilities, engagements, or torts of the person who shall be entitled to such benefit, nor shall it be subject to attachment or legal process for or against such person. Notwithstanding any provision of the Plan to the contrary, the Plan Benefit may be paid in a lump sum or Annuity to an alternate payee as required under a domestic relations order (as defined in Code Section 414(p)(1)(B)) that is approved by the Committee, consistent with the requirements of Code Section 409A.

15. No Employment Rights. Participation in the Plan shall not give an Employee any right to continued employment by the Company and its Subsidiaries or affiliates. The right to terminate employment of any Employee, with or without cause, is specifically reserved by the Company and its Subsidiaries and affiliates.

16. Merger, Consolidation, or Acquisition. In the event of a merger, consolidation, or acquisition where the Company is not the surviving corporation, unless the

successor or acquiring corporation shall elect to continue and carry on the Plan. this Plan shall terminate with respect to the Company, and no additional benefits shall accrue for the Participants of the Plan. Unpaid benefits shall continue to be paid as scheduled unless the successor or acquiring corporation elects to accelerate payment in a manner that complies with the requirements of Code Section 409A.

17. Code Section 409A. It is intended that the provisions of this Plan satisfy the requirements of Code Section 409A and that the Plan be operated in a manner consistent with such requirements to the extent applicable.

18. Amendment or Termination of the Plan. The Board of Directors may terminate this Plan at any time and may amend or modify this Plan from time to time in any respect. No such termination or amendment or modification of the Plan by the Board of Directors shall divest a Participant of any benefit which had previously accrued to him or which had previously become payable to him under this Plan unless the Participant agrees in writing to such divestment.

19. Severability. In the event any provision of the Plan shall be held invalid, illegal or unenforceable for any reason by a court of competent jurisdiction, such illegal, invalid or unenforceable provision shall not affect the remaining parts of the Plan, but the Plan shall be construed and enforced as if the illegal, invalid or unenforceable provision had never been inserted, and the Board of Directors shall have the privilege and opportunity to correct and remedy such questions of such illegal, invalid or unenforceable provision by amendment as provided in the Plan.

20. Gender and Number. Except when otherwise indicated by the context, any masculine terminology used in the Plan shall also include the feminine gender, and the definition of any term in the singular shall also include the plural.

21. Applicable Law. This Plan shall be construed, administered and governed in all respects in accordance with ERISA and other applicable federal law and, to the extent not preempted by federal law, in accordance with the laws of the State of Texas.


[Signature Page to Follow]

IN WITNESS WHEREOF. CenterPoint Energy, Inc. has caused these presents to be executed by its duly authorized officer in a number of copies, each of which shall be deemed an original, but all of which shall constitute the same instrument, this 22 day of December, 2008, but effective as of January 1, 2008.

CENTERPOINT ENERGY, INC.

By David M. McClanahan
David M. McClanahan
President and Chief Executive Officer

ATTEST:


Richard Dauphin
Assistant Corporate Secretary

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CENTERPOINT ENERGY, INC.
1991 BENEFIT RESTORATION PLAN

As Amended and Restated Effective February 25, 2011

**CENTERPOINT ENERGY, INC.
1991 BENEFIT RESTORATION PLAN**

(As Amended and Restated Effective February 25, 2011)

WHEREAS, CenterPoint Energy, Inc. (the “Company”), maintains the frozen CenterPoint Energy, Inc. Benefit Restoration Plan, effective as of July 1, 1991, and as thereafter amended (the “Plan”), in order to provide benefits to its eligible employees;

WHEREAS, the Plan is a “grandfathered plan” for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”), and thus all Plan benefits were earned and vested as of December 31, 2004, along with the earnings attributable thereto (“Grandfathered Benefits”); and

WHEREAS, at all times on and after January 1, 2005, the Grandfathered Benefits, along with all earnings attributable thereto, have been (and continue to be) subject to the terms and provisions of the Plan as in effect on October 3, 2004, and no material modifications, within the meaning of Code Section 409A, have been made (in form or operation) to the Plan with respect to such benefits; and

WHEREAS, the Company desires to amend the Plan to (i) reflect that the Benefits Committee is the plan administrator and (ii) revise the Plan’s administrative claims procedures (and neither of such changes is a material modification of the Plan);

NOW, THEREFORE, the Company, having reserved the right under Paragraph 8 thereof to amend the Plan, does hereby amend and restate the Plan, effective as of February 25, 2011, to reflect the prior amendment to the Plan and the changes desired above, as follows:

**CENTERPOINT ENERGY, INC.
1991 BENEFIT RESTORATION PLAN**

(As Amended and Restated Effective February 25, 2011)

1. Name. The name of the Plan is the "CenterPoint Energy, Inc. 1991 Benefit Restoration Plan" (the "Plan"), as amended and restated effective February 25, 2011, as set forth herein, and as the same may hereafter be amended from time to time. As of January 1, 2008, the Plan is frozen and (i) no new participants shall be permitted, and (ii) no benefits shall be earned or vested (other than earnings on benefits that were earned and vested as of December 31, 2004) under the Plan after December 31, 2007; unvested benefit accruals as of December 31, 2004 (along with earnings attributable thereto) were spun-off from the Plan, effective as of January 1, 2008, into, and shall be provided under, the CenterPoint Energy Benefit Restoration Plan (and the Plan shall have no contractual, legal or other obligation with respect to such spun-off benefits on and after January 1, 2008).

2. Purpose. Section 415 of the Internal Revenue Code of 1986, as amended ("Section 415"), imposes limitations on the amount of retirement benefits which may be paid to certain Employees of the Company and its participating Subsidiaries under the Retirement Plan. Effective January 1, 1989, Section 401(a)(17) of the Internal Revenue Code of 1986, as amended ("Section 401(a)(17)"), limits to \$200,000 (indexed annually) the annual compensation of each participating Employee which may be taken into account in computing benefits under the Retirement Plan for any Plan Year. In addition, the Retirement Plan excludes from the definition of "Compensation" for purposes of computing benefits (a) any salary deferrals under the CenterPoint Energy, Inc. Deferred Compensation Plan (the "Deferred Compensation Plan") and (b) any annual awards earned under the CenterPoint Energy, Inc. Executive Incentive Compensation Plan (the "EICP"). The principal purposes of the Plan are to provide additional benefits to those Employees whose retirement benefits under the Retirement Plan are reduced, curtailed or otherwise limited as a result of the limitations imposed by Section 415 and Section 401(a)(17), and to provide supplemental retirement benefits to those Employees selected by the Committee whose retirement benefits under the Retirement Plan are affected by the exclusion of certain amounts under the Deferred Compensation Plan and EICP.

3. Participants.

a. Retirement Plan Restoration Benefits. All full-time, salaried officers or highly-compensated Employees of the Company or any of its adopting Subsidiaries shall

be eligible to participate in the "Retirement Plan Restoration Benefit" described in Paragraph 4. Each eligible Employee shall become a Restoration Participant from and after June 1, 1985 if as of such date one of the limitations imposed by Section 415 or Section 401(a)(17) applies to his benefits under the Retirement Plan. Each other eligible Employee shall become a Restoration Participant from and after the first January 1st after June 1, 1985 as of which one of the limitations imposed by Section 415 or Section 401(a)(17) applies to his benefits under the Retirement Plan.

b. Supplemental Retirement Benefits. The Committee shall select Employees eligible to participate in the "Supplemental Retirement Benefit" described in Paragraph 5 from full-time, salaried officers or other highly-compensated Employees of the Company or any adopting Subsidiary. Once selected as a Supplemental Participant, an Employee shall continue to be a Supplemental Participant as long as he continues to be an Employee of the Company or of a participating Subsidiary unless the Committee determines that his participation shall cease as of the end of any calendar year in which notice of such discontinuance of participation is delivered in writing to the Supplemental Participant by the Committee.

(4. Retirement Plan Restoration Benefit. When a Restoration Participant's retirement benefit commences or a death benefit payable with respect to a Restoration Participant commences under the Retirement Plan, the Company will calculate a benefit equal to the excess of the amount of the retirement benefit or death benefit, as the case may be, which would have been payable under the Retirement Plan but for the limitations imposed by Section 415 and Section 401(a)(17) over the amount of the retirement benefit or death benefit actually payable under the Retirement Plan, which excess is referred to herein as the "Retirement Plan Restoration Benefit." The Company shall pay a Retirement Plan Restoration Benefit to such Restoration Participant or such other persons, at such times and in such manner as the Retirement Plan benefit is payable pursuant to the terms of the Retirement Plan; provided, however, that (i) the commencement of payment of any Retirement Plan Restoration Benefit attributable to an Early Pension or a Deferred Vested Pension under the Retirement Plan may be delayed beyond the earliest date the Restoration Participant could elect to commence receiving any such benefit under the Retirement Plan only if the Committee approves such delayed commencement date of such Retirement Plan Restoration Benefit, and (ii) the Company may in its sole discretion determine to convert the payment of the Retirement Plan Restoration Benefit into an actuarially equivalent lump sum payment, as determined by the Committee, with the advice of the actuary

for the Retirement Plan, employing those actuarial assumptions as are then employed in converting Retirement Plan benefits from one form to another.

5. Supplemental Retirement Benefit. When a Supplemental Participant's retirement benefit commences or a death benefit payable in respect of the Supplemental Participant commences under the Retirement Plan, the Company will calculate a benefit under the Plan equal to the amount that would have been payable under the Retirement Plan (without the limitations of Section 415 and Section 401(a)(17)) if the definition of "Compensation" under the Retirement Plan was amended to include (i) any amounts deferred under the Deferred Compensation Plan at the time of deferral and (ii) any annual awards earned by the Supplemental Participant under EICP in the December of the calendar year for which the award was earned. For purposes of clause (ii) above, if the Supplemental Participant is awarded an annual EICP award after his termination of Service, such award shall be considered as Compensation in the December immediately preceding his termination if and only if it results in a greater benefit payable to the Supplemental Participant under the Plan; any increase in benefits shall be retroactive to the initial commencement of benefits. The excess of the amount of such benefit over the total amount actually payable under the Retirement Plan and any Retirement Plan Restoration Benefit payable under the Plan is referred to herein as the "Supplemental Retirement Benefit." The Company shall pay a Supplemental Retirement Benefit to such Supplemental Participant or such other persons at such times and in such manner as the Retirement Plan benefit is payable pursuant to the terms of the Retirement Plan; provided, however, that (i) the commencement of payment of any Supplemental Retirement Benefit attributable to an Early Pension or a Deferred Vested Pension under the Retirement Plan may be delayed beyond the earliest date the Supplemental Participant could elect to commence receiving any such benefit under the Retirement Plan only if the Committee approves such delayed commencement date of such Supplemental Retirement Benefit, and (ii) the Company may in its sole discretion determine to convert the payment of the Supplemental Retirement Benefit into an actuarially equivalent lump sum payment, as determined by the Committee, with the advice of the actuary for the Retirement Plan, employing those actuarial assumptions as are then employed in converting Retirement Plan benefits from one form to another.

6. Contractual Obligation of Company. The benefits described in the Plan are contractual obligations of the Company to pay compensation for services, and shall constitute a liability to the Participants and/or their beneficiaries in accordance with the terms hereof. The payment of such benefits shall be made from the general funds of the Company. No special or

separate fund need be established and no segregation of assets need be made to assure the payment of such benefits. No Participant shall have any interest in any particular asset of the Company by virtue of his rights under the Plan. To the extent that any person acquires a right to receive payments from the Company under the Plan, such right shall be no greater than the right of an unsecured general creditor of the Company.

7. Administration. The Plan shall be administered, construed and interpreted by the Committee. The determinations by the Committee of the Employees who are eligible to be Participants in the Plan, the selection of Participants from eligible Employees, the amounts of their benefits under the Plan, and the construction and interpretation by the Committee of any provision of the Plan, shall be final, conclusive and binding upon all parties including the Company, its shareholders and its employees. No member of the Committee shall be liable for any act done or determination made in good faith. All expenses of administering the Plan shall be borne by the Company.

8. Amendment or Termination of the Plan. The Board of Directors may terminate the Plan at any time. The Board of Directors may amend or modify the Plan from time to time in any respect. No such termination or amendment by the Board of Directors shall divest a Participant of any benefit which had previously accrued to him or which had previously become payable to him under the Plan unless the Participant agrees in writing to such divestment.

9. Non-Alienation of Benefits. Except by mutual agreement between the Company and the Participant, any benefit which shall be payable under the Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge, and any attempt at such shall be void, and any such benefit shall not in any way be subject to the debts, contract, liabilities, engagements, or torts of the person who shall be entitled to such benefit, nor shall it be subject to attachment or legal process for or against such person.

10. No Employment Rights. The receipt of benefits under the Plan shall not give a Participant any right to continued employment by the Company and its Subsidiaries; the right to terminate employment of any Participant, with or without cause, is specifically reserved by the Company.

11. Definitions. For purposes of the Plan, the following definitions shall be applicable:

a. "Board of Directors" shall mean the Board of Directors of CenterPoint Energy, Inc.

b. "Committee" shall mean the Benefits Committee of the Company or such other committee designated as such by the Board of Directors.

c. "Company" shall mean CenterPoint Energy, Inc., any successor thereto, and/or any subsidiaries adopting the Plan with approval of the Board of Directors.

d. "Employee" shall mean any person who is regularly employed on a salary basis by the Company or by a Subsidiary, including, but not limited to, any employee who is also an officer or director of the Company or of a Subsidiary.

e. "Participant" shall mean any Employee who is entitled to a benefit under the provisions of Paragraph 4 and/or Paragraph 5 of the Plan.

f. "Restoration Participant" shall mean any Employee who is entitled to a benefit under the provisions of Paragraph 4 of the Plan.

g. "Retirement Plan" shall mean the CenterPoint Energy, Inc. Retirement Plan, as amended from time to time.

h. "Subsidiary" shall mean a company 50 percent or more of whose voting stock is owned (directly or through another Subsidiary) by the Company and which is an Employer under the Retirement Plan.

i. "Supplemental Participant" shall mean any Employee who is entitled to a benefit under the provisions of Paragraph 5 of the Plan.

12. Effective Date. The effective date of this amended and restated Plan shall be February 25, 2011. Any benefits payable under the Plan to a Participant whose employment terminated prior to July 1, 1991 shall be governed by the terms of the Plan as in effect on the date of his termination. The Plan shall continue until terminated by the Board of Directors as provided in paragraph 8.

13. Applicable Law. The Plan shall be construed, administered and governed in all respects in accordance with ERISA and other applicable federal law and, to the extent not preempted by federal law, in accordance with the laws of the State of Texas.

14. Claims and Review Procedures.

a. Claims Procedure. If any person believes he is entitled to any rights or benefits under the Plan, such person may file a claim in writing with the Committee. If any such claim is wholly or partially denied, the Committee will notify such person of its decision in writing. Such notification will contain (i) specific reasons for the denial, (ii)

specific reference to pertinent Plan provisions, (iii) a description of any additional material or information necessary for such person to perfect such claim and an explanation of why such material or information is necessary, and (iv) information as to the steps to be taken if the person wishes to submit a request for review, the time limits applicable to such procedures, and a statement of the person's rights following an adverse benefit determination on review, including a statement of his right to file a lawsuit under ERISA if the claim is denied on appeal. Such notification will be given within 90 days after the claim is received by the Committee (or within 180 days, if special circumstances require an extension of time for processing the claim, and if written notice of such extension and circumstances is given to such person within the initial 90-day period).

b. Claim Review Procedure. Within 60 days after the date on which a person receives a notice of denial, such person or his duly authorized representative ("Applicant") may (i) file a written request with the Committee for a review of his denied claim; (ii) review pertinent documents; and (iii) submit issues and comments in writing. The Committee shall render a decision no later than the date of its regularly scheduled meeting next following receipt of a request for review, except that a decision may be rendered no later than the second such meeting if the request is received within 30 days of the first meeting. The Applicant may request a formal hearing before the Committee which the Committee may grant in its discretion. Notwithstanding the foregoing, under special circumstances that require an extension of time for rendering a decision (including, but not limited to, the need to hold a hearing), the decision may be rendered not later than the date of the third regularly scheduled Committee meeting following the receipt of the request for review. If such an extension is required, the Applicant will be advised in writing before the extension begins. If the claim is denied in whole or part, such notice, which shall be in a manner calculated to be understood by the person receiving such notice, shall include (i) the specific reasons for the decision, (ii) the specific references to the pertinent Plan provisions on which the decision is based, (iii) that the Applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim for benefits, and (iv) a statement of the Applicant's right to file a lawsuit under ERISA. Benefits under the Plan will only be paid if the Committee decides, in its discretion, that an Applicant is entitled to them.

c. Exhaustion of Administrative Remedies. The decision of the Committee

on review of the claim denial shall be binding on all parties when the Applicant has exhausted the claims procedure under this Section. Moreover, no action at law or in equity shall be brought to recover benefits under the Plan prior to the date the Applicant has exhausted the administrative remedies under this Section. Applicants must submit all claims within two years beginning on the later of 1) the date a payment was made, 2) the date of the first in a series of periodic payments, or 3) the date on which a claim is incurred.

[Execution Page Follows]

IN WITNESS WHEREOF, CenterPoint Energy, Inc. has caused these presents to be executed by its duly authorized officers in a number of copies, each of which shall be deemed an original, but all of which shall constitute the same instrument, this 29th day of March, 2011, but effective as of February 25, 2011.

CENTERPOINT ENERGY, INC.

By David M. McClanahan
David M. McClanahan
President and Chief Executive Officer

ATTEST:



Richard Dauphin
Assistant Corporate Secretary

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-09**

QUESTION:

Please refer to page 40, line 2 through 4 of the Direct Testimony of Lynne Harkel- Rumford. Can the Benefit Restoration Plan be cancelled by the company at any time without recompense to effected staff? If yes, why is it being included in the revenue requirement to be recovered?

ANSWER:

Yes, the Benefit Restoration Plan can be cancelled by the Board of Directors of CenterPoint Energy Inc. However, CenterPoint Energy Inc. has no plans to cancel the program and expects to continue to incur this ongoing cost when new base rates are in effect.

SPONSOR (PREPARER):

Kristie Colvin/Lynne Harkel-Rumford (Kristie Colvin/Lynne Harkel-Rumford)

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-10**

QUESTION:

Please refer to page 71, lines 3 through 6 of the Direct Testimony of Kristie L. Colvin. Is the Benefit Restoration Plan liability on or off book? If it is on book, please provide the FERC USOA account for the liability.

ANSWER:

The Benefit Restoration Plan is recorded on the books of CenterPoint Energy, Inc. It was added to Schedule II-B-7 in FERC account 2283 in the errata filed on May 20, 2019.

SPONSOR (PREPARER):
Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:
None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-11**

QUESTION:

Please refer to page 41, lines 5 through 8 of the Direct Testimony of Lynne Harkel- Rumford.
Please provide a copy of the Savings Restoration Plan.

ANSWER:

Please see:

- COH19-11 CNP Savings Restoration Plan eff 01 01 1991.pdf
- COH19-11 CNP Savings Restoration Plan eff 01 01 1991 1st Amendment eff 02 25 2011.pdf
- COH19-11 CNP Savings Restoration Plan eff 01 01 2008.pdf
- COH19-11 CNP Savings Restoration Plan eff 01 01 2008 eff 02 25 2011.pdf

SPONSOR (PREPARER):

Lynne Harkel-Rumford (Lynne Harkel-Rumford)

RESPONSIVE DOCUMENTS:

COH19-11 CNP Savings Restoration Plan eff 01 01 1991.pdf
COH19-11 CNP Savings Restoration Plan eff 01 01 1991 1st Amendment eff 02 25 2011.pdf
COH19-11 CNP Savings Restoration Plan eff 01 01 2008.pdf
COH19-11 CNP Savings Restoration Plan eff 01 01 2008 eff 02 25 2011.pdf

CENTERPOINT ENERGY, INC. 1991 SAVINGS RESTORATION PLAN
(Amended and Restated Effective as of January 1, 2008)

First Amendment

WHEREAS, CenterPoint Energy, Inc. (the “Company”), maintains the frozen CenterPoint Energy, Inc. Savings Restoration Plan, effective as of January 1, 1991, and as thereafter amended and restated (the “Plan”), for the benefit of its eligible employees; and

WHEREAS, the Plan is a “grandfathered plan” for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”), and thus all Plan benefits were earned and vested as of December 31, 2004, along with the earnings attributable thereto (“Grandfathered Benefits”); and

WHEREAS, at all times on and after January 1, 2005, the Grandfathered Benefits, along with all earnings attributable thereto, have been (and continue to be) subject to the terms and provisions of the Plan as in effect on October 3, 2004, and no material modifications, within the meaning of Code Section 409A, have been made (in form or operation) to the Plan with respect to such benefits; and

WHEREAS, the Company desires to reflect that the Benefits Committee is the plan administrator; and

WHEREAS, the Company desires to amend the Plan to clarify the earnings/losses crediting provisions under the Plan and to revise the Plan’s administrative procedures (and neither of such changes is a material modification to the Plan);

NOW, THEREFORE, the Company having reserved the right under Section 6.2 thereof to amend the Plan, does hereby amend the Plan, effective as of the dates specified below, to read as follows:

1. Section 4.1 is redesignated as Section 4.1(a) and a new Section 4.1(b) is hereby added to the Plan effective as of January 1, 2011 to read as follows:

“(b) Crediting of Earnings, Gains and Losses. Within 60 days after the end of each Plan Year, provided a Participant has a Benefit payable under the Plan as of the last day of such Plan Year, the Participant’s Plan account shall be credited or debited with earnings, gains and losses (‘Earnings/Losses’) on the total of his account balance as of January 1st of the Plan Year. In the event a

Participant takes a distribution of his entire Benefit prior to the last day of a Plan Year, his account shall not be credited with Earnings/Losses for such Plan Year.”

2. Effective as of February 25, 2011, the first two sentences of Section 5.1 of the Plan are hereby amended to read as follows:

“The Plan shall be administered, construed and interpreted by the Benefits Committee of CenterPoint Energy, Inc. (the ‘Committee’). The Committee may delegate to another committee, individuals, or entities from time to time the performance of any of its duties or responsibilities hereunder, including, without limitation, the delegation of the Specified Employee determination.”

3. February as of 25, 2011, a new third sentence is hereby added after the second sentence of Section 5.5(c) to read as follows:

“Applicants must submit all claims within two years beginning on 1) the date a payment was made, or 2) the date on which a claim is incurred.”

IN WITNESS WHEREOF, CenterPoint Energy, Inc. has caused these presents to be executed by its duly authorized officer in a number of copies, all of which shall constitute one and the same instrument, which may be sufficiently evidenced by any executed copy hereof, on this 30th day of March, 2011, but effective as of the dates specified herein.

CENTERPOINT ENERGY, INC.

By David M. McClanahan
David M. McClanahan
President and Chief Executive Officer

ATTEST:

Richard Dauphin
Richard Dauphin
Assistant Corporate Secretary

CENTERPOINT ENERGY, INC.
1991 SAVINGS RESTORATION PLAN
(Amended and Restated Effective January 1, 2008)

CENTERPOINT ENERGY, INC.
1991 SAVINGS RESTORATION PLAN
(Amended and Restated Effective January 1, 2008)

* * * * *

RECITALS:

WHEREAS. CenterPoint Energy, Inc. (the "Company"), maintains the CenterPoint Energy, Inc. Savings Restoration Plan, effective as of January 1, 1991, and as thereafter amended (the "Plan"), for the benefit of its eligible employees; and

WHEREAS. in response to the enactment of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), effective as of January 1, 2005, the Company in operation separated all Plan benefits earned and vested as of December 31, 2004 ("Grandfathered Benefits") from all Plan benefits earned or vested after December 31, 2004 ("409A Benefits"); and

WHEREAS. at all times on and after January 1, 2005, the Grandfathered Benefits, along with all earnings, gains and losses attributable thereto, have been (and continue to be) subject to the terms and provisions of the Plan as in effect on October 3, 2004, and no material modifications, within the meaning of Code Section 409A, have been made (in form or operation) to the Plan with respect to such benefits; and

WHEREAS. the Company desires to bifurcate the Plan such that (1) the Grandfathered Benefits, along with all earnings, gains and losses attributable thereto, shall continue to be maintained under and paid from the Plan, which shall be frozen and intended to be a "grandfathered" plan exempt from Code Section 409A, and (2) the 409A Benefits, along with all earnings, gains and losses attributable thereto, shall be maintained under and paid from, a separate plan that is intended to comply with the requirements Code Section 409A, known as the CenterPoint Energy Savings Restoration Plan, effective as of January 1, 2008;

NOW, THEREFORE, the Company hereby amends, restates, renames and continues the Plan with respect to the Grandfathered Benefits in the form of the CenterPoint Energy, Inc. 1991 Savings Restoration Plan, as herein set forth, effective as of January 1, 2008, as follows:

ARTICLE I.

Purpose

1.1 Purpose. The purpose of this CenterPoint Energy, Inc. 1991 Savings Restoration Plan (the "Plan") is to provide the amount of the employer matching contributions that would otherwise be paid under the CenterPoint Energy Savings Plan (the "Savings Plan"), but which is not paid under the Savings Plan on account of the limit under Code Section 401(a)(17), as adjusted for cost-of-living increases under Code Section 401(a)(17)(B), or the limit under Code Section 415, as adjusted for cost-of-living increases under Code Section 415(d) (as adjusted and applicable, the "Code Limit"), on each Participant's compensation which may be taken into account under the Savings Plan for pre-2005 Plan Years. This Plan is intended to be a "top-hat" plan under sections 201(2), 301(a)(3) and 401(a)(1) of the Employee Retirement Income Security Act of 1974 ("ERISA").

1.2 Frozen Plan/Transfer of Post-2004 Benefits. This Plan is a frozen plan as of January 1, 2008. No new participants and no further benefits shall be accrued, earned or vested under the Plan after December 31, 2007, other than earnings, losses and gains attributable to benefits in the Plan earned and vested as of December 31, 2004. This Plan is intended to be a "grandfathered" plan for purposes of Code Section 409A. All benefits under this Plan were earned and vested as of December 31, 2004, and thus are intended to be "grandfathered benefits" which, along with all earnings, gains and losses attributable thereto, are exempt from Code Section 409A. Effective as of January 1, 2008, the obligations and liabilities for all benefits under the Plan that were not earned and vested as of December 31, 2004, along with the earnings, gains and losses attributable thereto ("409A Benefits"), were transferred from the Plan to the CenterPoint Energy Savings Restoration Plan ("SRP"). The 409A Benefits are maintained under and paid from the SRP, in accordance with its terms and conditions. The Plan shall have no further contractual, legal or other obligation with respect to the 409A Benefits on and after January 1, 2008.

1.3 Application of Plan. The terms of this Plan are applicable only to salaried officers or other highly-compensated employees of the CenterPoint Energy, Inc., or its successor (the "Company"), or any of its adopting Affiliates from and after January 1, 1991, but prior to January 1, 2005, whose Employer Matching Contributions under the Savings Plan were adversely affected by the Code Limit for Plan Years 1991 through 2004. For purposes of this Plan, the term "Company" shall include CenterPoint Energy, Inc., or any successor thereto, and/or any Affiliate adopting this Plan with approval of the Board of Directors of the Company (the "Board").

ARTICLE II.

Definitions and Construction

2.1 Definitions. Except as otherwise indicated herein, the capitalized terms used in this Plan shall have the same meaning as they have under the Savings Plan.

2.2 Gender and Number. Except when otherwise indicated by the context, any masculine terminology used in the Plan shall also include the feminine gender, and the definition of any term in the singular shall also include the plural.

2.3 Severability. In the event any provision of the Plan shall be held invalid, illegal or unenforceable for any reason by a court of competent jurisdiction, such illegal, invalid or unenforceable provision shall not affect the remaining parts of the Plan, but the Plan shall be construed and enforced as if the illegal, invalid or unenforceable provision had never been inserted, and the Board shall have the privilege and opportunity to correct and remedy such questions of such illegal, invalid or unenforceable provision by amendment as provided in the Plan.

2.4 Applicable Law. This Plan shall be construed, administered and governed in all respects in accordance with ERISA and other applicable federal law and, to the extent not preempted by federal law, in accordance with the laws of the State of Texas.

2.5 Plan Not an Employment Contract. This Plan is not an employment contract. It does not give to any person the right to be continued in employment with the Company, an Employer or any Affiliate or Subsidiary, and all Employees remain subject to change of salary, transfer, change of job, discipline, layoff, discharge, or any other change of employment status.

ARTICLE III. Participation

A "Participant" under this Plan is a person who was a full-time, salaried officer or highly compensated employee of the Company or its adopting Affiliates and who earned a benefit under the Plan for any Plan Year after the 1990 Plan Year, but prior to the 2005 Plan Year. To earn a benefit during such Plan Year or Plan Years, the Employee must have made the maximum Pre-Tax and/or After-Tax Contributions upon which Employer Matching Contributions were made under the Savings Plan for such year or years, the Employer Matching Contributions made by the Employer under the Savings Plan must have been limited on account of the Code Limit and the Employee must have been employed by the Company or one of its adopting Affiliates as of December 31st of the applicable Plan Year.

ARTICLE IV. Benefits

4.1 Amount of Benefits. The amount payable ("Benefit") to or in respect of a Participant hereunder shall be equal to the difference between (a) the aggregate amount of Employer Matching Contributions which would have been allocated in respect of the Participant under the Savings Plan for each of the 1991 through the 2004 Plan Years if the Participant had made the maximum Pre-Tax and/or After-Tax Contributions upon which Employer Matching Contributions were made without regard to the Code Limit for each such year, and (b) the aggregate amount of Employer Matching Contributions actually allocated in respect of the Participant under the Savings Plan for each such Plan Year. The amounts so credited shall earn interest each Plan Year (x) at the same rate and be credited in the same manner as the ESOP Company Stock Fund under the Savings Plan for the applicable pre-2008 Plan Year and (y) at the rate of return for the Participant's account under the Savings Plan for each post-2007 Plan Year.

4.2 Form of Payment and Commencement Date.

(a) Form of Payment. The Benefit, along with all earnings, gains and losses attributable to such amount, payable under this Plan shall be paid in the same manner as distributions payable under the Savings Plan. However, the Compensation Committee of the Board (the "Committee") may direct the payment of such benefits payable to a Participant, spouse, or Beneficiary under this Plan in the form of an actuarially equivalent lump-sum payment. The actuarial assumptions for computing the lump-sum payment shall be determined by the Committee.

(b) Commencement Date. Benefits payable under this Plan shall commence on or about the same date that distributions are made under the Savings Plan.

4.3 Vesting. All Participants under the Plan are fully vested in their Benefit as of December 31, 2004. However, a Participant (and his Beneficiary) shall have no right to a Benefit under this Plan if the Committee determines that the Participant engaged in a willful, deliberate, or gross act of commission or omission which is injurious to the finances or reputation of the Company.

4.4 Funding. All amounts paid under this Plan shall be paid in cash from the general assets of the Company. Benefits shall be reflected on the accounting records of the Company but shall not be construed to create, or require the creation of, a trust, custodial, or escrow account. No Participant shall have any right, title, or interest whatever in or to any investment reserves, accounts, or funds that the Company may purchase, establish, or accumulate to aid in providing the benefits described in this Plan. Nothing contained in this Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust or a fiduciary relationship of any kind between the Company and a Participant or any other person. Neither a Participant nor a Beneficiary of a Participant shall acquire any interest greater than that of an unsecured creditor.

4.5 Tax Withholding. The Company may withhold from a payment any federal, state, or local employment and income taxes required by law to be withheld with respect to such payment and such sum as the Company may reasonably estimate as necessary to cover any taxes for which the Company may be liable and which may be assessed with regard to such payment.

4.6 Effect on Other Plans. Amounts accrued or paid under this Plan shall not be considered compensation for the purpose of the Company's retirement, savings, life insurance or disability plans.

4.7 Non-Transferability. A Participant or his Beneficiary shall have no rights by way of anticipation or otherwise to assign or otherwise dispose of any interest under this Plan, nor shall rights be assigned or transferred by operation of law. Notwithstanding any provision of the Plan to the contrary, the Plan Benefit may be paid to an alternate payee as required under a domestic relations order (as defined in Code Section 414(p)(1)(B)) as approved by the Committee.

ARTICLE V.
Administration

5.1 Administration. The Plan shall be administered, construed and interpreted by the Committee. The Committee may delegate to the Company's Benefits Committee or other committee, individuals, or entities from time to time the performance of any of its duties or responsibilities hereunder. The Committee may also hire agents, accountants, actuaries, consultants and legal counsel to assist in operating and administering the Plan.

5.2 Finality of Determination. The determination of the Committee as to any disputed questions arising under this Plan, including questions of construction and interpretation, shall be final, binding, and conclusive upon all persons.

5.3 Expenses. The expenses of administering the Plan shall be borne by the Company.

5.4 Indemnification and Exculpation. The members of the Committee, its agents, and officers, directors, and employees of the Company and its Affiliates shall be indemnified and held harmless by the Company against and from any and all loss, cost, liability, or expense that may be imposed upon or reasonably incurred by them in connection with or resulting from any claim, action, suit, or proceeding to which they may be a party or in which they may be involved by reason of any action taken or failure to act under this Plan and against and from any and all amounts paid by them in settlement (with the Company's written approval) or paid by them in satisfaction of a judgment in any action, suit or proceeding. The foregoing provision shall not be applicable to any person if the loss, cost, liability, or expense is due to such person's gross negligence or willful misconduct.

5.5 Claims and Review Procedures.

(a) Claims Procedure. If any person believes he or she is entitled to any rights or benefits under the Plan, such person may file a claim in writing with the Committee. If any such claim is wholly or partially denied, the Committee will notify such person of its decision in writing. Such notification will contain (i) specific reasons for the denial, (ii) specific reference to pertinent Plan provisions, (iii) a description of any additional material or information necessary for such person to perfect such claim and an explanation of why such material or information is necessary, and (iv) information as to the steps to be taken if the person wishes to submit a request for review, the time limits applicable to such procedures, and a statement of the person's rights following an adverse benefit determination on review, including a statement of his or her right to file a lawsuit under ERISA if the claim is denied on appeal. Such notification will be given within 90 days after the claim is received by the Committee (or within 180 days, if special circumstances require an extension of time for processing the claim, and if written notice of such extension and circumstances is given to such person within the initial 90-day period).

(b) Claim Review Procedure. Within 60 days after the date on which a person receives a notice of denial, such person or his or her duly authorized representative ("Applicant") may (i) file a written request with the Committee for a review of his or her denied claim; (ii) review pertinent documents; and (iii) submit issues and comments in writing. The Committee shall render a decision no later than the date of its regularly scheduled meeting next following

receipt of a request for review, except that a decision may be rendered no later than the second such meeting if the request is received within 30 days of the first meeting. The Applicant may request a formal hearing before the Committee which the Committee may grant in its discretion. Notwithstanding the foregoing, under special circumstances that require an extension of time for rendering a decision (including, but not limited to, the need to hold a hearing), the decision may be rendered not later than the date of the third regularly scheduled Committee meeting following the receipt of the request for review. If such an extension is required, the Applicant will be advised in writing before the extension begins. If the claim is denied in whole or part, such notice, which shall be in a manner calculated to be understood by the person receiving such notice, shall include (i) the specific reasons for the decision, (ii) the specific references to the pertinent Plan provisions on which the decision is based, (iii) that the Applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim for benefits, and (iv) a statement of the Applicant's right to file a lawsuit under ERISA. Benefits under this Plan will only be paid if the Committee decides, in its discretion, that an Applicant is entitled to them.

(c) Exhaustion of Administrative Remedies. The decision of the Committee on review of the claim denial shall be binding on all parties when the Applicant has exhausted the claims procedure under this Section. Moreover, no action at law or in equity shall be brought to recover benefits under this Plan prior to the date the Applicant has exhausted the administrative remedies under this Section.

ARTICLE VI.

Merger, Amendment and Termination

6.1 Merger, Consolidation, or Acquisition. In the event of a merger, consolidation, or acquisition where the Company is not the surviving corporation, unless the successor or acquiring corporation shall elect to continue and carry on the Plan, this Plan shall terminate with respect to the Company, and no additional benefits shall accrue for the Participants. Unpaid benefits shall continue to be paid as scheduled unless the successor or acquiring corporation elects to accelerate payment.

6.2 Amendment and Termination. The Board may amend, modify, or terminate the Plan at any time. In the event of a termination of the Plan pursuant to this Section, unpaid benefits shall continue to be an obligation of the Company and shall be paid as scheduled.

[Signature Page to Follow]

IN WITNESS WHEREOF, CenterPoint Energy, Inc. has caused these presents to be executed by its duly authorized officer in a number of copies, all of which shall constitute one and the same instrument, which may be sufficiently evidenced by any executed copy hereof, this 22 day of December, 2008, but effective as of January 1, 2008.

CENTERPOINT ENERGY, INC.

By David M. McClanahan
David M. McClanahan
President and Chief Executive Officer

ATTEST:

Richard Dauphin
Richard Dauphin
Assistant Corporate Secretary

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CENTERPOINT ENERGY SAVINGS RESTORATION PLAN
(Effective as of January 1, 2008)

First Amendment

WHEREAS, CenterPoint Energy, Inc. (the “Company”), maintains the CenterPoint Energy Savings Restoration Plan, effective as of January 1, 2008 (the “Plan”), for the benefit of its eligible employees; and

WHEREAS, the Company desires to reflect that the Benefits Committee is the plan administrator; and

WHEREAS, the Company desires to amend the Plan to clarify the earnings/losses crediting provisions under the Plan and to revise the Plan’s administrative procedures;

NOW, THEREFORE, the Company, having reserved the right under Section 6.2 thereof to amend the Plan, does hereby amend the Plan, effective as of the dates specified below, as follows:

1. Effective as of February 25, 2011, the definition of “Committee” in Section 2.1(f) of the Plan is hereby deleted and the subsequent subsections are hereby renumbered accordingly.

2. Effective as of January 1, 2011, Section 4.1(b) of the Plan is hereby amended to read as follows:

“(b) Crediting of Earnings, Gains and Losses. Within 60 days after the end of each Plan Year, provided a Participant is an active Employee as of the last day of such Plan Year, the Participant’s Plan account shall be credited or debited with earnings, gains and losses (‘Earnings/Losses’) on the total of (1) his account balance as of January 1st of the Plan Year, plus (2) the employer matching contributions and any discretionary contributions credited to his account during the Plan Year. The Earnings/Losses for such Plan Year shall be based on the annualized rate of return for the Participant’s account under the Savings Plan for such Plan Year. The Plan account of a Participant whose Separation from Service occurs prior to the last day of a Plan Year shall not be credited with Earnings/Losses for such Separation from Service Plan Year.”

3. Effective as of February 25, 2011, the first two sentences of Section 5.1 of the Plan are hereby amended to read as follows:

“The Plan shall be administered, construed and interpreted by the Benefits Committee of CenterPoint Energy, Inc. (the ‘Committee’). The Committee may delegate to another committee, individuals, or entities from time to time the performance of any of its duties or responsibilities hereunder, including, without limitation, the delegation of the Specified Employee determination.”

4. Effective as of February 25, 2011, a new third sentence is hereby added after the second sentence of Section 5.6(c) to read as follows:


“Applicants must submit all claims within two years beginning on the later of (1) the date a payment was made or (2) the date on which a claim is incurred.”

IN WITNESS WHEREOF, CenterPoint Energy, Inc. has caused these presents to be executed by its duly authorized officer in a number of copies, all of which shall constitute one and the same instrument, which may be sufficiently evidenced by any executed copy hereof, on this ~~30th~~ day of March, 2011, but effective as of the dates specified herein.

CENTERPOINT ENERGY, INC.

By David M. McClanahan
David M. McClanahan
President and Chief Executive Officer

ATTEST:


Richard Dauphin
Assistant Corporate Secretary

CENTERPOINT ENERGY
SAVINGS RESTORATION PLAN
(Effective as of January 1, 2008)

**CENTERPOINT ENERGY
SAVINGS RESTORATION PLAN**
(Effective as of January 1, 2008)

* * * * *

RECITALS:

WHEREAS, CenterPoint Energy, Inc. (the "Company"), maintains the CenterPoint Energy, Inc. Savings Restoration Plan, effective as of January 1, 1991, and as thereafter amended (the "1991 Plan"), for the benefit of its eligible employees; and

WHEREAS, in response to the enactment of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), effective as of January 1, 2005, the Company in operation separated all 1991 Plan benefits earned and vested as of December 31, 2004 ("Grandfathered Benefits") from all 1991 Plan benefits earned or vested after December 31, 2004 ("409A Benefits"); and

WHEREAS, the Company desires to bifurcate the 1991 Plan such that (1) the Grandfathered Benefits, along with all earnings, gains and losses attributable thereto, shall be maintained under and paid from a separate, frozen plan that is intended to be a "grandfathered" plan exempt from Code Section 409A, which is the 1991 Plan, as amended and restated effective January 1, 2008, and renamed the CenterPoint Energy, Inc. 1991 Savings Restoration Plan, and (2) the 409A Benefits, along with all earnings, gains and losses attributable thereto, shall be maintained under and paid from, a newly established and separate plan that is intended to comply with the requirements of Code Section 409A, effective as of January 1, 2008;

NOW, THEREFORE, the Company hereby establishes this new plan to maintain and provide the 409A Benefits in the form of the CenterPoint Energy Savings Restoration Plan, as herein set forth, effective as of January 1, 2008, as follows:

ARTICLE I.

Purpose

The purpose of the CenterPoint Energy Savings Restoration Plan (the "Plan") is to provide a benefit to a select group of management or highly-compensated employees of CenterPoint Energy, Inc. based on the employer matching contributions that would otherwise be credited to such employees' accounts under the CenterPoint Energy Savings Plan, but for application of the qualified plan compensation limit under Code Section 401(a)(17) for post-2004 Plan Years. This Plan is intended to be a "top-hat" plan under sections 201(2), 301(a)(3) and 401(a)(1) of the Employee Retirement Income Security Act of 1974.

ARTICLE II.

Definitions and Construction

2.1 Definitions. Except as otherwise indicated below or as otherwise indicated in the Plan, the capitalized terms used in the Plan shall have the meaning ascribed to them under the Savings Plan. For purposes of the Plan, the following definitions shall be applicable:

(a) "1991 Plan" shall mean the CenterPoint Energy, Inc. 1991 Savings Restoration Plan, as amended and restated effective January 1, 2008.

(b) "Beneficiary" shall mean the Participant's beneficiary or beneficiaries designated under the Savings Plan; *provided, however*, that if there is no valid beneficiary designation filed with the Savings Plan at the time of the Participant's death or if all of such designated beneficiaries have predeceased the Participant or otherwise ceased to exist, then the Participant's Beneficiary for purposes of this Plan shall be, and any payment hereunder shall be made to, the Participant's spouse, if he or she survives the Participant, or otherwise to the executor or legal representative of the Participant's estate.

(c) "Benefits Committee" shall mean the Benefits Committee of the Company or such other committee designated by the Board.

(d) "Board" shall mean the Board of Directors of the Company.

(e) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(f) "Committee" shall mean the Compensation Committee of the Board.

(g) "Company" shall mean CenterPoint Energy, Inc., and any successor thereto.

(h) "Employee" shall mean any person who is employed on a salaried basis by an Employer.

(i) "Employer" shall mean the Company and any Subsidiaries that have adopted the Savings Plan.

(j) "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

(k) "Participant" shall have the meaning ascribed to such term in Article III of the Plan.

(l) "Plan" shall mean the CenterPoint Energy Savings Restoration Plan, effective as of January 1, 2008, and as thereafter amended from time to time.

(m) "Plan Benefit" shall have the meaning ascribed to such term in Section 4.1(a) of the Plan.

(n) "Plan Year" shall mean a calendar year (that is the 12-month period commencing on January 1st and ending on December 31st).

(o) "Savings Plan" shall mean the CenterPoint Energy Savings Plan, as amended and restated effective January 1, 2005, as thereafter amended from time to time.

(p) "Section 401(a)(17) Limit" shall mean the compensation amount limit set forth in Code Section 401(a)(17), as adjusted for cost of living increases.

(q) "Separation from Service" shall mean a termination of employment from an Employer that is a separation from service within the meaning of Code Section 409A.

(r) "Subsidiary" shall mean a company 50 percent or more of whose voting stock is owned (directly or through another Subsidiary) by the Company and which is an "Employer" under the Savings Plan (as such term is defined in the Savings Plan).

(s) "Total Plan Benefit" shall mean the sum of the Participant's aggregate Plan Benefit and, to the extent applicable, Transferred 409A Benefit, and all earnings, gains and losses attributable thereto.

(t) "Transferred 409A Benefits" shall mean a Participants' benefits under the 1991 Plan that were not earned and vested as of December 31, 2004, along with all earnings, gains and losses attributable thereto, which obligations were transferred to the Plan, effective January 1, 2008, and, on and after January 1, 2008, are the sole obligation of, will be maintained under, and will be distributed from, the Plan, and in accordance with the terms of the Plan. Benefits under the 1991 Plan that were earned and vested prior to January 1, 2005, along with all earnings, gains and losses attributable thereto, shall continued to be the sole obligation of, maintained under and distributed from the 1991 Plan, in accordance with the terms of the 1991 Plan.

2.2 Gender and Number. Except when otherwise indicated by the context, any masculine terminology used in the Plan shall also include the feminine gender, and the definition of any term in the singular shall also include the plural.

2.3 Severability. In the event any provision of the Plan shall be held invalid, illegal or unenforceable for any reason by a court of competent jurisdiction, such illegal, invalid or unenforceable provision shall not affect the remaining parts of the Plan, but the Plan shall be construed and enforced as if the illegal, invalid or unenforceable provision had never been inserted, and the Board shall have the privilege and opportunity to correct and remedy such

questions of such illegal, invalid or unenforceable provision by amendment as provided in the Plan.

2.4 Applicable Law. This Plan shall be construed, administered and governed in all respects in accordance with ERISA and other applicable federal law and, to the extent not preempted by federal law, in accordance with the laws of the State of Texas.

2.5 Plan Not an Employment Contract. This Plan is not an employment contract. It does not give to any person the right to be continued in employment with the Company, an Employer or any affiliate or Subsidiary, and all Employees remain subject to change of salary, transfer, change of job, discipline, layoff, discharge, or any other change of employment status.

ARTICLE III. Participation

A "Participant" under this Plan is a person who is a member of a select group of management employees or a highly-compensated employee of an Employer for each Plan Year after the 2007 Plan Year in which such Employee's Compensation exceeds the Section 401(a)(17) Limit. In addition, persons who are entitled to Transferred 409A Benefits shall be Participants in this Plan with respect to such amounts (but shall not be eligible for post-2007 Plan Year benefits unless they otherwise meet the Plan requirements for such post-2007 Plan Years.)

ARTICLE IV. Benefits

4.1 Amount of Benefits.

(a) Benefit Formula. For each Plan Year after the 2007 Plan Year, provided that the Participant is actively employed by an Employer on December 31st of the Plan Year (except as provided below), such Participant's Plan account shall be credited for such Plan Year with a "Plan Benefit" equal to the amount resulting from the following formula:

$$\text{Plan Benefit} = [((A - B) \times C) + ((A - B) \times D)]$$

where:

- "A" is equal to the Participant's Compensation for the Plan Year determined without regard to the Section 401(a)(17) Limit for the Plan Year;
- "B" is equal to the Section 401(a)(17) Limit for the Plan Year;
- "C" is equal to the employer matching contribution percentage under the Savings Plan for the Plan Year; and
- "D" is equal to a discretionary percentage, if any, approved by the Committee or the Chief Executive Officer of the Company for the Savings Plan and/or for the Plan for the Plan Year.

The employer matching portion of the Plan Benefit for a Plan Year shall be credited to the Participant's account as soon as practicable after the end of the Plan Year, but in no event later than 60 days after the end of such Plan Year. The discretionary portion of the Plan Benefit for a Plan Year shall be credited to the Participant's account as soon as practicable after the discretionary percentage (if any) has been approved for the Plan Year, but in no event later than 60 days after such approval date. A person who has a Separation from Service prior to December 31st of a Plan Year shall not receive a Plan Benefit for such Plan Year unless such person during such Plan Year commenced during and is on as of December 31st of such Plan Year, (i) an Employer authorized leave of absence or (ii) a disability leave of absence (whether short-term or long-term disability) under a disability plan or program of the Company or an Employer (and only for the Plan Year during which such eligible leave under clause (i) or (ii) commences).

(b) Crediting of Earnings, Gains and Losses. Within 60 days after the end of each Plan Year, a Participant's Plan account shall be credited or debited with earnings, gains and losses ("Earnings/Losses") on the total of (1) his account balance as of January 1st of the Plan Year, *plus* (2) the employer matching contributions and any discretionary contributions credited to his account during the Plan Year. The Earnings/Losses for such Plan Year shall be based on the annualized rate of return for the Participant's account under the Savings Plan for such Plan Year.

4.2 Payment of Total Plan Benefit. A Participant's Total Plan Benefit, and all earnings, gains and losses attributable thereto, shall be paid in the form of a lump-sum payment, as follows:

(a) Separation From Service On or After January 1, 2008. For a Participant who has a Separation from Service on or after January 1, 2008, the Participant's Total Plan Benefit shall be paid on the 60th day after the date of his Separation from Service, except as otherwise provided in Section 4.8 hereof.

(b) Separation From Service After December 31, 2004, But Prior to January 1, 2008. For a Participant who (i) had a Separation from Service after December 31, 2004, but prior to January 1, 2008, and (ii) as of December 31, 2007, had not received, or commenced receiving, his Total Plan Benefit, then such Participant's Total Plan Benefit shall be paid in calendar year 2008, except as otherwise provided in Section 4.8 hereof.

4.3 Vesting. At all times all Participants under the Plan are fully vested in the Total Plan Benefit credited to their accounts.

4.4 Funding. All amounts paid under this Plan shall be paid in cash from the general assets of the Company. Benefits shall be reflected on the accounting records of the Company but shall not be construed to create, or require the creation of, a trust, custodial, or escrow account. No Participant shall have any right, title, or interest whatever in or to any investment reserves, accounts, or funds that the Company may purchase, establish, or accumulate to aid in providing the benefits described in this Plan. Nothing contained in this Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust or a fiduciary relationship of any

kind between the Company and a Participant or any other person. Neither a Participant nor a Beneficiary of a Participant shall acquire any interest greater than that of an unsecured creditor.

4.5 Tax Withholding. The Company may withhold from a payment any federal, state, or local employment and income taxes required by law to be withheld with respect to such payment and such sum as the Company may reasonably estimate as necessary to cover any taxes for which the Company may be liable and which may be assessed with regard to such payment.

4.6 Effect on Other Plans. Amounts accrued or paid under this Plan shall not be considered compensation for the purpose of the Company's retirement, savings, life insurance or disability plans.

4.7 Non-Transferability. A Participant or his Beneficiary shall have no rights by way of anticipation or otherwise to assign or otherwise dispose of any interest under this Plan, nor shall rights be assigned or transferred by operation of law. Notwithstanding any provision of the Plan to the contrary, any portion of the Plan Benefit may be paid to an alternate payee as required under a domestic relations order, as defined in Code Section 414(p)(1)(B), approved by the Committee (a "QDRO"), consistent with the requirements of Code Section 409A. In such event, the amount of the Plan Benefit subject to the QDRO shall be paid to the alternate payee within 90 days of the date that the order is determined by the Committee to meet the requirement of, and is, a QDRO (and the terms of the order must be consistent with the foregoing to be considered a QDRO).

4.8 Delay of Payments to Certain Participants. Notwithstanding any provision to the contrary in the Plan, if as of the date of the Participant's Separation from Service (other than by reason of death) the Participant is a "Specified Employee" (within the meaning of that term under Code Section 409A(a)(2)(B)), then the payment specified in Section 4.2 shall not be paid to the Participant until the later of (a) the date specified in Section 4.2 or (b) the earlier of (i) the second day following the expiration of the 6-month period measured from the date of the Participant's Separation from Service or (ii) the date of the Participant's death. In the event that payment of a Participant's Total Plan Benefit is delayed under this Section 4.8, the Company shall pay to the Participant, as of the date it pays the delayed payment, interest on the delayed amount, at the semi-annual, short-term applicable federal rate provided under Code Section 1274(d) as of the Participant's Separation from Service date, based on the period the payment was delayed.

4.9 Death. If a Participant's Separation from Service is due to his death, then the Participant's Plan Benefit shall be paid to the Participant's Beneficiary on the 60th day following the date of the Participant's death.

ARTICLE V. Administration

5.1 Administration. The Plan shall be administered, construed and interpreted by the Committee. The Committee may delegate to the Company's Benefits Committee or other committee, individuals, or entities from time to time the performance of any of its duties or responsibilities hereunder, including, without limitation, the delegation of the Specified

Employee determination. The Committee may also hire agents, accountants, actuaries, consultants and legal counsel to assist in operating and administering the Plan.

5.2 Finality of Determination. The determination of the Committee as to any disputed questions arising under this Plan, including questions of construction and interpretation, shall be final, binding, and conclusive upon all persons.

5.3 Expenses. The expenses of administering the Plan shall be borne by the Company.

5.4 Indemnification and Exculpation. The members of the Committee, its agents, and officers, directors, and employees of the Company and its Subsidiaries and affiliates shall be indemnified and held harmless by the Company against and from any and all loss, cost, liability, or expense that may be imposed upon or reasonably incurred by them in connection with or resulting from any claim, action, suit, or proceeding to which they may be a party or in which they may be involved by reason of any action taken or failure to act under this Plan and against and from any and all amounts paid by them in settlement (with the Company's written approval) or paid by them in satisfaction of a judgment in any action, suit or proceeding. The foregoing provision shall not be applicable to any person if the loss, cost, liability, or expense is due to such person's gross negligence or willful misconduct.

5.5 Code Section 409A. It is intended that the provisions of this Plan satisfy the requirements of Code Section 409A and that the Plan be operated and interpreted in a manner consistent with such requirements to the extent applicable.

5.6 Claims and Review Procedures.

(a) Claims Procedure. If any person believes he is entitled to any rights or benefits under the Plan, such person may file a claim in writing with the Committee. If any such claim is wholly or partially denied, the Committee will notify such person of its decision in writing. Such notification will contain (i) specific reasons for the denial, (ii) specific reference to pertinent Plan provisions, (iii) a description of any additional material or information necessary for such person to perfect such claim and an explanation of why such material or information is necessary, and (iv) information as to the steps to be taken if the person wishes to submit a request for review, the time limits applicable to such procedures, and a statement of the person's rights following an adverse benefit determination on review, including a statement of his right to file a lawsuit under ERISA if the claim is denied on appeal. Such notification will be given within 90 days after the claim is received by the Committee (or within 180 days, if special circumstances require an extension of time for processing the claim, and if written notice of such extension and circumstances is given to such person within the initial 90-day period).

(b) Claim Review Procedure. Within 60 days after the date on which a person receives a notice of denial, such person or his duly authorized representative ("Applicant") may (i) file a written request with the Committee for a review of his denied claim; (ii) review pertinent documents; and (iii) submit issues and comments in writing. The Committee shall render a decision no later than the date of its regularly scheduled meeting next following receipt of a request for review, except that a decision may be

rendered no later than the second such meeting if the request is received within 30 days of the first meeting. The Applicant may request a formal hearing before the Committee which the Committee may grant in its discretion. Notwithstanding the foregoing, under special circumstances that require an extension of time for rendering a decision (including, but not limited to, the need to hold a hearing), the decision may be rendered not later than the date of the third regularly scheduled Committee meeting following the receipt of the request for review. If such an extension is required, the Applicant will be advised in writing before the extension begins. If the claim is denied in whole or part, such notice, which shall be in a manner calculated to be understood by the person receiving such notice, shall include (i) the specific reasons for the decision, (ii) the specific references to the pertinent Plan provisions on which the decision is based, (iii) that the Applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim for benefits, and (iv) a statement of the Applicant's right to file a lawsuit under ERISA. Benefits under this Plan will only be paid if the Committee decides, in its discretion, that an Applicant is entitled to them.

(c) Exhaustion of Administrative Remedies. The decision of the Committee on review of the claim denial shall be binding on all parties when the Applicant has exhausted the claims procedure under this Section. Moreover, no action at law or in equity shall be brought to recover benefits under this Plan prior to the date the Applicant has exhausted the administrative remedies under this Section.

ARTICLE VI. Merger, Amendment and Termination

6.1 Merger, Consolidation, or Acquisition. In the event of a merger, consolidation, or acquisition where the Company is not the surviving corporation, unless the successor or acquiring corporation shall elect to continue and carry on the Plan, this Plan shall terminate with respect to the Company, and no additional benefits shall accrue for the Participants. Unpaid benefits shall continue to be paid as scheduled unless the successor or acquiring corporation elects to accelerate payment in a manner that complies with the requirements of Code Section 409A.

6.2 Amendment and Termination. The Board may amend, modify, or terminate the Plan at any time. In the event of a termination of the Plan pursuant to this Section, unpaid benefits shall continue to be an obligation of the Company and shall be paid as scheduled.

[Signature Page to Follow]

IN WITNESS WHEREOF, CenterPoint Energy, Inc. has caused these presents to be executed by its duly authorized officer in a number of copies, all of which shall constitute one and the same instrument, which may be sufficiently evidenced by any executed copy hereof, this 2 day of November, 2008, but effective as of January 1, 2008.

CENTERPOINT ENERGY, INC.

By David M. McClanahan
David M. McClanahan
President and Chief Executive Officer

ATTEST:

Richard Dauphin
Richard Dauphin
Assistant Corporate Secretary

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**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-12**

QUESTION:

Please refer to page 41, lines 5 through 8 of the Direct Testimony of Lynne Harkel- Rumford. Can the Savings Restoration Plan be cancelled by the company at any time without recompense to effected staff? If yes, why is it being included in the revenue requirement to be recovered?

ANSWER:

Yes, the Savings Restoration Plan can be cancelled by the Board of Directors of CenterPoint Energy Inc. However, CenterPoint Energy Inc. has no plans to cancel the program and expects to continue to incur this ongoing cost when new base rates are in effect.

SPONSOR (PREPARER):

Kristie Colvin/Lynne Harkel-Rumford (Kristie Colvin/Lynne Harkel-Rumford)

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-13**

QUESTION:

Please refer to page 41, lines 5 through 8 of the Direct Testimony of Lynne Harkel- Rumford. Has the Company included a liability for the unfunded Savings Restoration Plan similar to the Benefit Restoration Plan? If so, please provide the amount of the liability, references to testimony, exhibits and work papers related to the liability, explain whether the liability is on or off book, and provide the FERC USAO account if it is on book.

ANSWER:

No.

SPONSOR (PREPARER):
Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:
None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-14**

QUESTION:

Please refer to page 42, lines 8 and 9 of the Direct Testimony of Lynne Harkel-Rumford. Please provide the cost associated with these accounts.

ANSWER:

Postretirement plan expense is reported on Schedule II-D-3.7.4, Line Nos. 9 and 10. The \$750 annual Company credit is not separately identifiable.

SPONSOR (PREPARER):

Kristie Colvin/Lynne Harkel-Rumford (Kristie Colvin/Lynne Harkel-Rumford)

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-15**

QUESTION:

Please refer to page 41, lines 11 and 12 of the Direct Testimony of Lynne Harkel- Rumford. How many of the 87 utility and energy companies in the Towers Watson Benefits Data Source provide a savings restoration plan?

ANSWER:

The Willis Towers Watson Benefits Data Source does not provide data on a savings restoration plan.

SPONSOR (PREPARER):

Lynne Harkel-Rumford (Lynne Harkel-Rumford)

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-16**

QUESTION:

Please refer to page 41, line 5 through 8 of the Direct Testimony of Lynne Harkel- Rumford. Please provide the amount that CEHE included in the revenue requirement for the Savings Restoration Plan.

ANSWER:

CenterPoint Energy Houston Electric, LLC. included the following amounts in the revenue requirement for Savings Restoration Plan:

Expense amounts in revenue requirement:

Direct portion	\$22,844.83
Service Company	\$267,273.39
CERC	\$727.57

Estimated amounts in rate base:

Direct portion	\$18,279.91
Service Company	\$51,305.81
CERC	\$0.74

SPONSOR (PREPARER):

Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-17**

QUESTION:

Please refer to page 43, line 24 through page 44, line 2 of the Direct Testimony of Lynne Harkel-Rumford. Please identify the inactive employees that are eligible to receive the postemployment benefits and explain if the benefit provided is required by law or by contract.

ANSWER:

Please see GCCC03-07 II-D-3.9.1 CNP Postemployment AV 2018 (confidential).pdf, page 9 of 22.

Postemployment benefits are currently required by the plan documents.

SPONSOR (PREPARER):

Lynne Harkel-Rumford (Lynne Harkel-Rumford)

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**CITY OF HOUSTON
REQUEST NO.: COH19-18**

QUESTION:

Please refer to page 44, lines 11 and 12 of the Direct Testimony of Lynne Harkel- Rumford. Has the Company included a liability for the unfunded deferred compensation plan similar to the Benefit Restoration Plan? If so, please provide the amount of the liability, references to testimony, exhibits and work papers related to the liability, explain whether the liability is on or off book, and provide the FERC USAO account if it is on book.

ANSWER:

No.

SPONSOR (PREPARER):
Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:
None

CERTIFICATE OF SERVICE

I hereby certify that on this 28th day of May 2019, a true and correct copy of the foregoing document was served on all parties of record in accordance with 16 Tex. Admin. Code § 22.74.

