



For more information, contact
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Media.Relations@CenterPointEnergy.com

For Immediate Release

Building the Stronger, More Resilient, Self-Healing Grid of the Future

The bold actions outlined in CenterPoint's SRP are designed to benefit customers across the entire service area, with a specific focus on customers in higher-risk areas. When complete, this suite of resiliency actions, combined with CenterPoint's normal operations, will achieve the following:

- **Automation Devices:** 100% of lines serving the most customers will include automation devices capable of self-healing to reduce the impact of outages;
- **Secure Substations:** 99% of substations will be raised above the 500-year flood plain;
- **Undergrounding:** More than 50% of CenterPoint's system will be undergrounded to improve resiliency;
- **Stronger Distribution Poles:** 130,000 stronger, more storm-resilient poles (rated to 110 mph and 132 mph) will be either installed new, or replaced or braced to withstand stronger storms;
- **Vegetation Management:** CenterPoint will deploy an industry-leading, three-year vegetation management cycle for transmission and distribution lines, with 100% of power lines cleared of hazardous vegetation every three years;
- **Stronger Transmission Towers:** 2,200+ transmission structures will be rebuilt or upgraded to be able to better withstand extreme weather while improving overall reliability; and
- **Modernized Cables:** 34,500 spans of underground cables will be modernized to reduce the frequency and impact of outages.

These key improvements, along with other planned actions and measures announced earlier in the week as part of [CenterPoint's 2024-2029 rate case](#), are expected to strengthen overall resiliency and reliability of the Greater Houston-area electric system by at least 30% over a three-year period, according to analysis from Guidehouse, an independent third-party expert. In addition, these systemwide improvements will continue to provide important benefits by improving long-term reliability, and will help reduce potential weather-related outages for customers.

A Historic Resiliency Investment

CenterPoint's \$5.75 billion Systemwide Resiliency Plan is a historic investment in the grid and will help reduce hundreds of millions of outage minutes per year caused by extreme weather. Given the importance of reducing the future impact of major extreme weather events, the combined actions outlined in the SRP will help avoid outages for more than 500,000 customers in the event of another Hurricane Beryl-like storm, while also helping to improve restoration and response times during such events. When complete, the SRP is also expected to save customers a projected cost of approximately \$50 million in storm-related costs per year.

Actions Completed Under Greater Houston Resiliency Initiative

The SRP builds upon core resiliency actions CenterPoint has completed to date through its Greater Houston Resiliency Initiative (GHRI) that was launched last August to strengthen the



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grid, improve communications and expand local and emergency partnerships ahead of the 2025 hurricane season. Since launching GHRI in 2024, CenterPoint has already:

- Installed more than 10,600 more storm-resilient poles designed to withstand extreme winds;
- Cleared more than 3,400 miles of hazardous vegetation near power lines;
- Installed more than 370 self-healing automation devices; and
- Undergrounded approximately 200 miles of power lines.

Addressing Growing Energy Needs and Weather Challenges

The resiliency actions outlined by the SRP will also help meet the energy needs of the growing population across CenterPoint's Greater Houston service area. The number of customers is expected to continue growing by 2 percent annually for the foreseeable future – the equivalent of adding a city the size of Waco, Texas, every year. As Greater Houston's population, economy and energy needs grow, CenterPoint's SRP will help address the increasing risk that this fast-growing region faces from extreme weather.

Why is the SRP Needed?

Data from the National Oceanic and Atmospheric Administration and the Federal Emergency Management Agency (FEMA) show that the Greater Houston area faces the highest weather and climate hazard risk of any region in the country. In fact, Harris County has more FEMA-designated disaster resilience zones (14) than any other county in the United States.

A Systemwide Resiliency Plan Shaped by Experts, Stakeholders and Customer Feedback

The SRP, which CenterPoint submitted to the Public Utility Commission of Texas today for review, incorporates important feedback from customers, elected leaders, emergency management agencies and independent experts. Over the last three months, CenterPoint has conducted 30 meetings and listening sessions and solicited feedback on our plan during the draft stages. As part of CenterPoint's commitment to long-term affordability, the SRP is designed to provide the greatest dollar value to customers now and in the future by prioritizing proven, cost-effective resiliency actions that will ultimately prove vital to reducing future storm-related costs for the communities CenterPoint serves.

To learn more about CenterPoint's **Systemwide Resiliency Plan** and the actions it is currently taking to strengthen the grid, visit CenterPointEnergy.com/SystemwideResiliencyPlan.

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About CenterPoint Energy, Inc.

As the only investor-owned electric and gas utility based in Texas, CenterPoint Energy, Inc. (NYSE: CNP) is an energy delivery company with electric transmission and distribution, power generation and natural gas distribution operations that serve more than 7 million metered customers in Indiana, Louisiana, Minnesota, Mississippi, Ohio and Texas. With approximately



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9,000 employees, CenterPoint Energy and its predecessor companies have been in business for more than 150 years. For more information, visit CenterPointEnergy.com.

Forward-looking Statements

This news release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this news release, the words "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "goal," "intend," "may," "objective," "plan," "potential," "predict," "projection," "should," "target," "will," "would" or other similar words are intended to identify forward-looking statements. These forward-looking statements, which include statements regarding the Systemwide Resiliency Plan, including its benefits, are based upon assumptions of management which are believed to be reasonable at the time made and are subject to significant risks and uncertainties. Actual events and results may differ materially from those expressed or implied by these forward-looking statements. Any statements in this news release regarding future events that are not historical facts are forward-looking statements. Each forward-looking statement contained in this news release speaks only as of the date of this release. Important factors that could cause actual results to differ materially from those indicated by the provided forward-looking information include risks and uncertainties relating to: (1) the impact of pandemics, including the COVID-19 pandemic; (2) financial market conditions; (3) general economic conditions; (4) the timing and impact of future regulatory and legislative decisions; and (5) other factors, risks and uncertainties discussed in CenterPoint Energy's Annual Report on Form 10-K for the fiscal year ended December 31, 2023 and CenterPoint's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2024, June 30, 2024 and September 30, 2024 and other reports CenterPoint Energy or its subsidiaries may file from time to time with the Securities and Exchange Commission.

###

From: CenterPoint Energy <DoNotReply@communications.centerpointenergy.com>

Date: January 31, 2025 at 5:03:18 PM CST

Subject: Investing in a more resilient power grid

Reply-To: DoNotReply@communications.centerpointenergy.com

CenterPoint Energy announces multi-year Systemwide Resiliency Plan

[Lea esto en](#)



CenterPoint Energy announces multi-year Systemwide Resiliency Plan to benefit communities across Greater Houston.

We are committed to building a stronger, more resilient power grid to better support our communities across Greater Houston. In August 2024, we launched the [Greater Houston Resiliency Initiative \(GHRI\)](#) as part of this commitment and are now making significant progress in Phase Two to prepare for the upcoming 2025 hurricane season.

Building on this progress, **we've submitted our [2026-2028 Systemwide Resiliency Plan \(SRP\)](#) to the Public Utility Commission of Texas.** This plan represents the largest single investment in grid resiliency in CenterPoint Energy's history.

What does this mean for you?

Our **plan is designed to significantly reduce the frequency and duration of power outages caused by storms, hurricanes and other hazards.** By making key improvements to our infrastructure, we are aiming to **reduce outage impacts by over 1.3 billion minutes** for our 2.8 million customers into 2029. This translates to fewer disruptions for you and your family.



Why is this necessary?

According to experts, Greater Houston faces some of the highest weather and climate hazard risks in the country. To address these challenges and provide a more reliable energy future for our growing community, this plan is a part of our [2024-2029 rate case filing](#). **These improvements, along with others outlined in the plan, are expected to strengthen our overall grid resiliency by at least 30%.**

We are committed to keeping you informed.

You can learn more about our Systemwide Resiliency Plan and our ongoing efforts to strengthen the grid by clicking the button below:

Strengthening our grid



Energy for what matters most.



Energy for what matters most.

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250131-08

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 57579
SOAH DOCKET NO. 473-25-11558**

**TEXAS COAST UTILITIES COALITION
REQUEST NO.: TCUC-RFI01-25**

QUESTION:

Please provide CEHE's projected total Distribution system CMI with and without each proposed resiliency measure for each of the next ten years.

ANSWER:

Guidehouse did not derive Distribution system CMIs without each proposed resiliency measure. For each proposed resiliency measure, estimated annual CMI savings beginning in 2028 shown in Exhibit ELS-2, Table 1-1.

SPONSOR:

Eugene Shlatz

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 57579
SOAH DOCKET NO. 473-25-11558**

**TEXAS COAST UTILITIES COALITION
REQUEST NO.: TCUC-RFI01-26**

QUESTION:

Please provide CEHE's projected annual reduction in CMI for each proposed resiliency measure for each of the next five years for:

- a. Residential customers
- b. Commercial customers
- c. Industrial customers

ANSWER:

Guidehouse did not derive the annual reduction in CMI for each of the customer classes cited above.

SPONSOR:
Eugene Shlatz

RESPONSIVE DOCUMENTS:
None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 57579
SOAH DOCKET NO. 473-25-11558**

**TEXAS COAST UTILITIES COALITION
REQUEST NO.: TCUC-RFI01-27**

QUESTION:

Please provide CEHE's projected total Transmission system CMI with and without each proposed resiliency measure for each of the next ten years.

ANSWER:

Guidehouse did not derive Transmission system CMIs without each proposed resiliency measure. For each proposed resiliency measure, estimated annual CMI savings beginning in 2028 are shown in Exhibit ELS-2, Table 1-1.

SPONSOR:

Eugene Shlatz

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 57579
SOAH DOCKET NO. 473-25-11558**

**TEXAS COAST UTILITIES COALITION
REQUEST NO.: TCUC-RFI01-28**

QUESTION:

Please provide the estimated cost of each proposed resiliency measure that would be allocated to other wholesale transmission customers in ERCOT.

ANSWER:

Please refer to Bates Page 896, Figures JG-01, and JG-02 of Jeff Garmon Testimony, which provides by resiliency measure the estimated capital cost and O&M, respectively, both in total along with the estimated distribution cost. The estimated transmission portion can be found as the difference between the estimated total as compared with the estimated distribution portion for any given resiliency measure within the two aforementioned figures.

SPONSOR:

Jeff Garmon

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 57579
SOAH DOCKET NO. 473-25-11558**

**TEXAS COAST UTILITIES COALITION
REQUEST NO.: TCUC-RF101-29**

QUESTION:

Please identify the portion of the total cost of each proposed resiliency measure that would be incurred for ERCOT planning purposes.

ANSWER:

For projects that meet the required ERCOT Regional Planning Group (RPG) criteria and have already completed the ERCOT RPG review, please see the portion of the total cost of each applicable resiliency measure below:

1. Transmission System Hardening - \$105.3M
2. 69kV Conversion Projects - \$73.3M

For projects that meet the required ERCOT Regional Planning Group (RPG) criteria and require future ERCOT RPG studies, please see the portion of the total cost of each applicable resiliency measure below:

1. Transmission System Hardening - \$1,090.6M
2. 69kV Conversion Projects - \$279.75M
3. Coast Resiliency Projects - \$178.1M

SPONSOR:

David Mercado

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 57579
SOAH DOCKET NO. 473-25-11558**

**TEXAS COAST UTILITIES COALITION
REQUEST NO.: TCUC-RF101-30**

QUESTION:

Reference page 21 of witness Shlatz's direct testimony, please provide the Commission Order that approved the estimated \$35,000 per MWh VoLL for use in planning studies.

ANSWER:

There is no such order, because the Commission issued its directive to use a \$35,000 VOLL during the August 29, 2024 open meeting and did not memorialize its vote in a written order. On August 22, 2024, ERCOT filed the "Value of Lost Load Study Final Report" in Project No. 55837. In that filing, ERCOT recommended that the one-hour ERCOT-wide value identified by the survey of -\$35,000 per MWh be adopted for use in planning activities." Please see Project No. 55837, Item No. 12 at page 6. Also on August 22, 2024, Commission Staff filed a memorandum in Project No. 55837 recommending "that VOLL be set at \$30,000 per MWh." Please see Project No. 55837, Item No. 13 at page 6. On August 28, 2024, PUC Chairman Gleeson filed a memorandum stating his belief that "VOLL should be set at \$35,685 per MWh as recommended by Brattle." Please see Project No. 55837, Item No. 14. In discussions at the Commission's open meeting on August 29, 2024, the Commissioners agreed unanimously that \$35,000/MWh was the correct VOLL to use for planning purposes. Though not memorialized in a written order, the Commission's decision was noted in a PUC Press Release that same day. See TCUC-RF101-30 Attachment 1, PUC Press Release, "Public Utility Commission of Texas Adopts Reliability Standard for the ERCOT Market," at page 2 (August 29, 2024).

SPONSOR:

Eugene Shlatz

RESPONSIVE DOCUMENTS:

TCUC01-30 Attachment 1 -- Public Utility Commission of Texas Adopts Reliability Standard for the ERCOT Market



Public Utility Commission of Texas

1701 N. Congress, P.O. Box 13326, Austin, TX 78701

Press Release
Aug. 29, 2024

Contact: Ellie Breed
Media@PUC.Texas.Gov

Public Utility Commission of Texas Adopts Reliability Standard for the ERCOT Market

AUSTIN, Texas – The Public Utility Commission of Texas (PUCT) today voted to adopt a reliability standard for the Electric Reliability Council of Texas (ERCOT) region. Setting a standard for reliability in ERCOT will allow for regular assessments of the grid’s ability to meet consumer demand and help the PUCT and ERCOT determine what market or reliability improvements could be necessary in the future.

“The ERCOT grid is more reliable today than it has ever been, and we know our system must continue to evolve to meet the growing demand for power in our state,” PUCT Chairman Thomas Gleeson said. “As we enhance our grid to support the future of Texas, it’s critical we clearly define the standard at which we expect the market and system to operate. By establishing a reliability standard for the ERCOT region today, we are setting a strong expectation for the market and charting a clear path to further secure electric reliability.”

Adoption of the reliability standard meets requirements laid out in [Senate Bill 3](#), as passed by the 87th Texas Legislature and signed into law by Governor Greg Abbott. The final rule adopted today will be filed in PUCT Docket No. [54584](#).

According to the rule adopted by the Commission today, the ERCOT grid must meet three criteria to remain in compliance with the reliability standard:

- **Frequency** – In the ERCOT region, a grid outage resulting from inadequate power supply to meet demand must be expected to occur no more than once per ten years on average.
- **Duration** – A potential grid outage resulting from inadequate power supply to meet demand must be expected to last less than 12 hours.
- **Magnitude** – The amount of electricity lost during any hour of a potential outage resulting from inadequate power supply to meet demand must be expected to be less than the amount of electricity that can be safely rotated during an outage.

Detailed explanations of these criteria can be found in the rule.



The rule also establishes a process for a regular assessment of the ERCOT region's reliability. Beginning January 1, 2026, ERCOT must conduct a probability-based assessment every three years to determine whether the power system is meeting the reliability standard and is expected to continue meeting the standard for the next three years. If ERCOT determines that the system fails to meet the reliability standard, it must include in its report to the Commission recommended changes to the ERCOT market design that could address the deficiency and outline the potential cost of those changes. The PUCT would then provide 30 days for the public to comment on the ERCOT assessment.

If ERCOT's assessment shows that the system fails to meet the reliability standard, the independent market monitor (IMM) must conduct an independent review and Commission staff must provide their own recommendations on potential market design changes and associated costs. The Commission would then review ERCOT's assessment, the IMM's review, Commission staff's recommendations, and public comments to determine whether any market design changes may be necessary.

At the open meeting today, Commissioners also approved a Value of Lost Load (VOLL), which is an estimate of the value of electric reliability to consumers, for the ERCOT region. Using results from a survey of consumers in the ERCOT region and an ERCOT analysis, Commissioners approved a VOLL of \$35,000 per megawatt-hour. This value will also help the PUCT evaluate potential market or reliability improvements.

More information related to the development of the reliability standard is available in PUCT Docket No. 54584. More information related to the VOLL and consumer survey is available in PUCT Docket No. 55837.

About the Public Utility Commission of Texas

Our mission is to serve Texans by regulating the state's electric, telecommunication, and water and sewer utilities, implementing respective legislation, and offering customer assistance in resolving consumer complaints. Since its founding in 1975, the Commission has a long and proud history of service to Texas, protecting customers, fostering competition, and promoting high quality infrastructure. To learn more, please visit <https://www.puc.texas.gov>.

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 57579
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**TEXAS COAST UTILITIES COALITION
REQUEST NO.: TCUC-RFI01-31**

QUESTION:

Please provide the estimated VoLL used in Guidehouse's BCA along with supporting workpapers for:

- a. Residential customers
- b. Commercial customers
- c. Industrial customers

ANSWER:

Guidehouse did not calculate separate VOLLs for each customer class, but instead used a single \$35,000/MWh VOLL as recommended by ERCOT and approved by the Public Utility Commission.

SPONSOR:
Eugene Shlatz

RESPONSIVE DOCUMENTS:
None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 57579
SOAH DOCKET NO. 473-25-11558**

**TEXAS COAST UTILITIES COALITION
REQUEST NO.: TCUC-RFI01-32**

QUESTION:

Please provide the percentage of total estimated VoLL associated with each proposed resiliency measure that will be reflected on CEHE's electric bills to:

- a. Residential customers
- b. Commercial customers
- c. Industrial customers

ANSWER:

Guidehouse did not derive the total estimate of VoLL associated with each resiliency measure for each of the above customer classes.

SPONSOR:
Eugene Shlatz

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 57579
SOAH DOCKET NO. 473-25-11558**

**TEXAS COAST UTILITIES COALITION
REQUEST NO.: TCUC-RFI01-33**

QUESTION:

Please provide the BCA for each proposed resiliency measure excluding the VoLL associated with forecasted CMI savings.

ANSWER:

Guidehouse did not derive BCAs for each proposed resiliency measure with VoLL excluded from the calculations. However, see the Exhibit 2, Appendix C to the Direct Testimony of Eugene Shlatz (Bates Page 1463) for a VOLL Sensitivity Analysis using VOLLs of \$5,000/MWh, \$9,000/MWh, and \$65,000/MWh in addition to the Commission-approved \$35,000/MWh.

SPONSOR:

Eugene Shlatz

RESPONSIVE DOCUMENTS:

None

CERTIFICATE OF SERVICE

I hereby certify that on March 3, 2025, notice of the filing of this document was provided to all parties of record via electronic mail in accordance with the Second Order Suspending Rules, filed in Project No. 50664.


Terence Russell

The following files are not convertible:

	TCUC-RFI01-01 - Exhibit JG-04 -
Illustrative Carrying Cost.xlsx	TCUC-RFI01-01 Attachment 1 - 2026-2028
Resiliency Plan MASTER.xlsx	TCUC-RFI01-01 Attachment 3.xlsx
	TCUC-RFI01-10 Attachment 1.xlsx
	TCUC-RFI01-12 Distribution System SAIDI
SAIFI and CMI Excluding Extreme Weather Events.xlsx	TCUC-RFI01-13 - CEHE Transmission
SAIDI, SAIFI, and CMI Including Extreme Weather Events.xlsx	TCUC-RFI01-14 - CEHE Transmission
SAIDI, SAIFI, and CMI Excluding Extreme Weather Events.xlsx	TCUC-RFI01-15 Attachment.xlsx
1.xlsx	TCUC-RFI01-16 and 01-17 Attachment
	TCUC-RFI01-20 - Attachment.xlsx
	TCUC-RFI01-11 Annual Distribution
System SAIDI SAIFI and CMI Including Extreme Weather Events.xlsx	

Please see the ZIP file for this Filing on the PUC Interchange in order to access these files.

Contact centralrecords@puc.texas.gov if you have any questions.