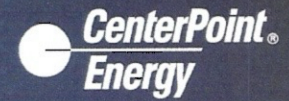
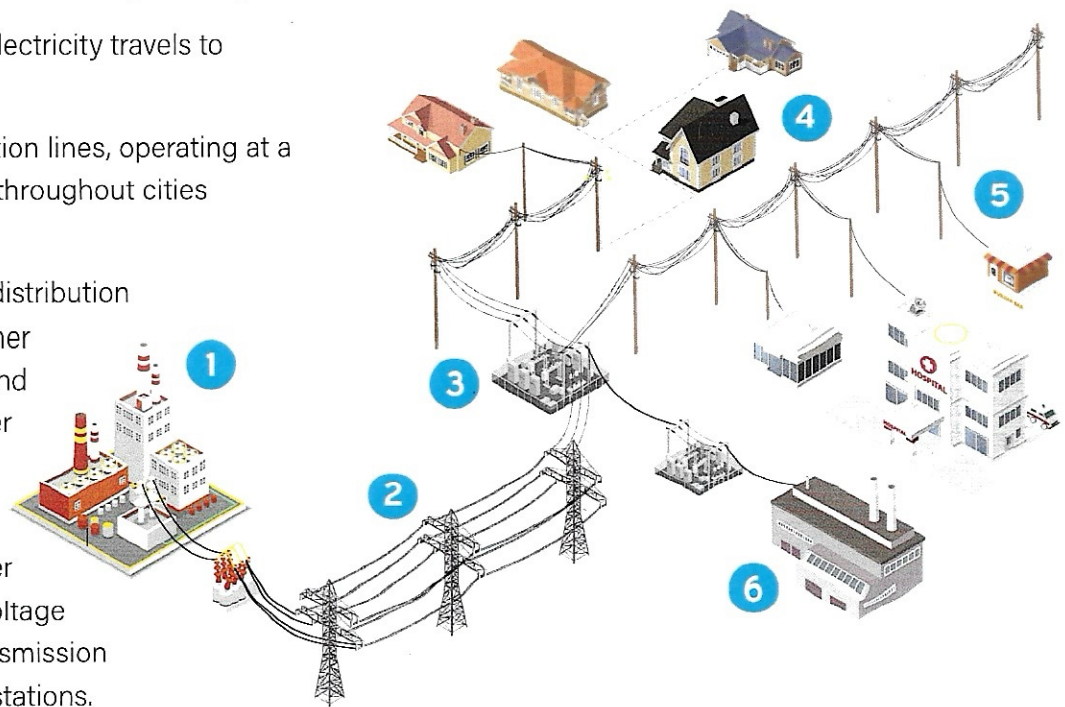


How CenterPoint Energy delivers reliable electricity



CenterPoint Energy **delivers** electricity to more than 2.4 million customers across the greater Houston area, requiring an extensive network of transmission and distribution facilities. CenterPoint's owned and operated electric infrastructure includes 29,057 miles of overhead distribution poles and wires, more than 28,600 miles of underground distribution lines and over 3,900 miles of transmission lines.

- 1 Electricity is generated at a centralized plant. (CenterPoint **does not generate** electricity).
- 2 Electricity travels over long distances via high-voltage transmission lines.
- 3 From the transmission system, electricity travels to distribution substations.
- 4 From these substations, distribution lines, operating at a lower voltage, deliver electricity throughout cities and neighborhoods.
- 5 Electricity then travels from the distribution lines through a service transformer located close to your business and finally to your meter at the proper voltage for your business' electricity needs
- 6 To support customers with power needs of 10MW or more, high-voltage lines travel directly from the transmission system to customer-owned substations.



Electric generation and distribution

The Electric Reliability Council of Texas (ERCOT) is responsible for ensuring reliable electric service for 90 percent of the state of Texas and is regulated by the Public Utility Commission of Texas and the Texas Legislature. ERCOT manages the flow of electric power to more than 26 million Texas customers. As the independent system operator for the region, ERCOT schedules power on an electric grid that connects more than 52,700 miles of transmission lines and more than 1,100 generation units.

The ERCOT electric grid is divided up into five transmission and delivery utility companies (TDUs). CenterPoint is one of those TDUs servicing the greater Houston region with electric delivery.

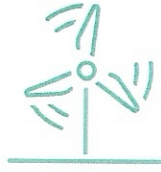
Source: https://www.ercot.com/files/docs/2022/02/08/ERCOT_Fact_Sheet.pdf

Continued ...

How is power generated in Texas?*



Natural gas
42.6%



Wind power
24.9%



Coal
16.6%



Other
15.9%

*Based on ERCOT's 2022 energy use report. https://www.ercot.com/files/docs/2022/02/08/ERCOT_Fact_Sheet.pdf

How is CenterPoint unique?

- CenterPoint's intelligent grid is designed to monitor grid health, help **reduce the number of outages** and shorten the length of outages when they do occur.
- CenterPoint has strong relationships with the cities and communities we serve to help **identify unique needs and respond quickly**.
- CenterPoint has activated a \$20 billion resiliency and reliability plan that will better enable the grid to **support the energy transition** towards a smart energy future.
- Deregulation allows customers to **compare the rates** offered by multiple retail electric providers and select the rate that best suits their electric needs.
- CenterPoint's electric delivery rates are some of the **lowest in the nation**.
- CenterPoint provides customers with programs and solutions to help fit their needs surrounding **energy efficiency and electrification**.

Purchasing electricity in the state of Texas

ERCOT maintains reliable electricity and works with TDUs to deliver electricity.

TDUs sell wholesale electricity to retail electric providers (REPs).

REPs resell electricity to homes and businesses at competitive rates.