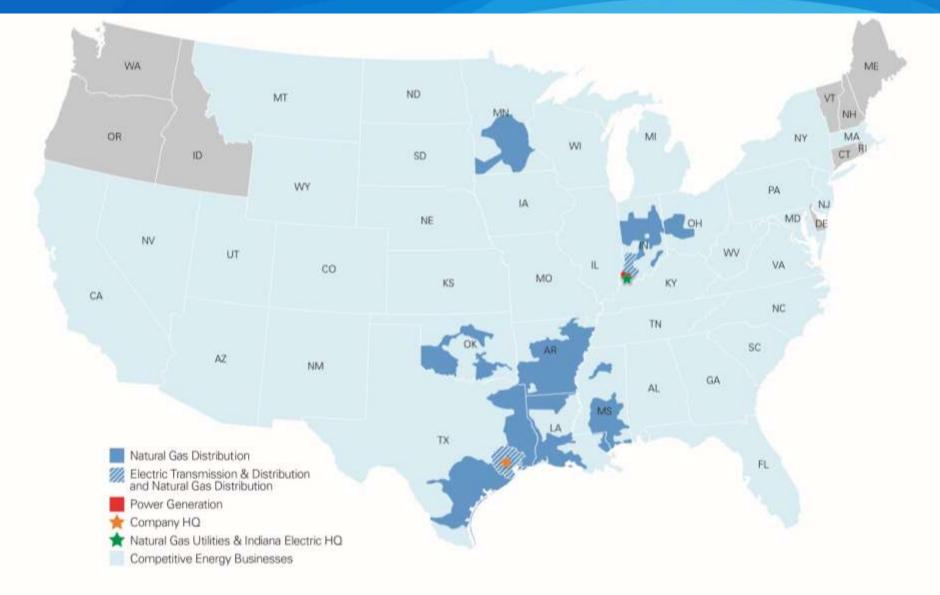




Who is CenterPoint Energy?



What is the "Smart Grid"?

Visit YouTube.com/CenterPointEnergyVid — Energy InSight Center virtual tour part 2





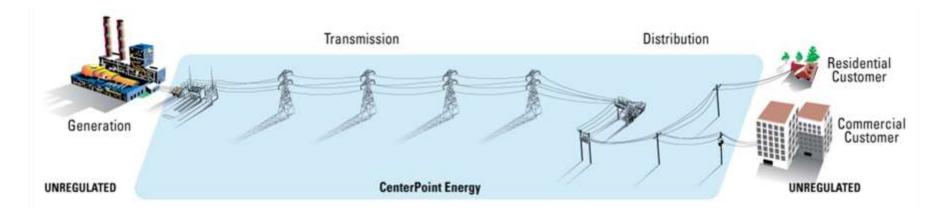




"Smart Grid" is a commonly-used term for a system of integrated technologies, including smart meters, designed to transform the purchase, delivery and use of energy.

The Texas electric system





Generation

Large, centralized power plants generate electricity

Transmission & Distribution

 CenterPoint owns and maintains overhead and underground transmission and distribution lines

Retail Electricity Provider (REP)

 Texas residents and business must purchase their electricity from a certified "Retail Electric Provider" (REP)

What if gasoline were like electricity?



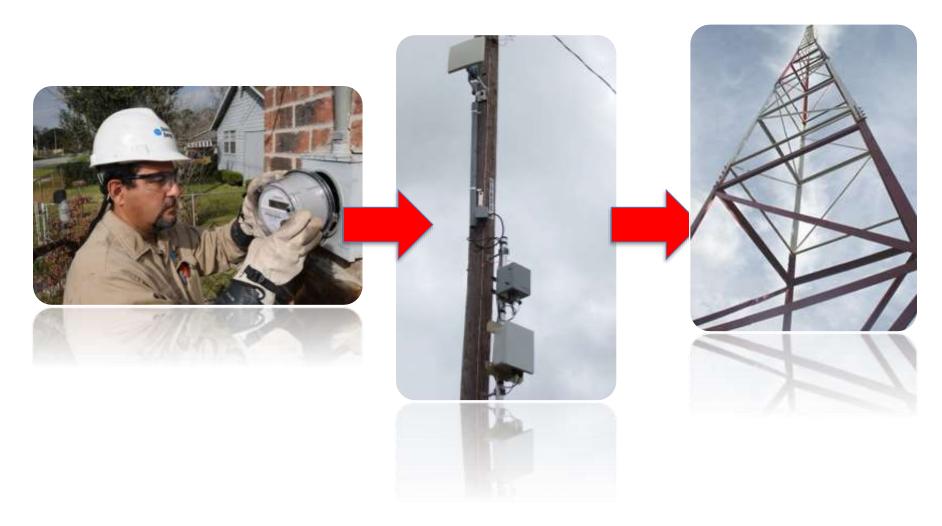


- Smart meters help show you how much electricity you are using as you use it
- Getting a clearer picture of your usage can help you better monitor, manage and conserve energy
- Retail electric providers can offer pre-paid service, "time of use" rates (free nights and weekends), energy analysis tools and other new products
- Remote meter reading and energy conservation are good for the environment

How Smart Meters Work

Visit YouTube.com/CenterPointEnergyVid — Energy InSight playlist "More than a Smart Meter"





How to Read a Smart Meter

Visit YouTube.com/CenterPointEnergyVid –
Energy InSight playlist "How to Read a Smart Meter"



01H Residential/commercial electricity usage



03A Commercial Kva demand



029
Distributed generation



Consumer Benefits of Smart Meters



<u>Visit YouTube.com/CenterPointEnergyVid – 'Customers Praise Smart Meters"</u>

Remote meter reads, service connection/disconnection

- Consumers save \$25 million per year in eliminated fees
- Environment avoids CO₂ emissions = powering 1300 homes per year

Energy efficiency and savings

- Visit SmartMeterTexas.com to see usage down to 15-minutes
- Some consumers cut usage up to 50%, save up to \$100 / month.

New products and services

- > 700,000 Texans on time-of-use rates (free nights & weekends) or peaktime rebates according to ERCOT
- About 4,300 Houstonians get near-real-time data from IHDs

Automatic outage notification - Power Alert Service

 Sign up for email/text/voice alert at <u>CenterPointEnergy.com/PowerAlertService</u>

Smart homes

Remote control of thermostats, appliances in a Home Area Network "HAN"

www.SmartMeterTexas.com



<u>Visit YouTube.com/CenterPointEnergyVid – Energy InSight Center virtual tour part 6</u>

Rei	port	Oi	ption
	PVIL	\sim	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,

Report Type: Daily Usage (15 min intervals)

Start Date:

01/26/2011

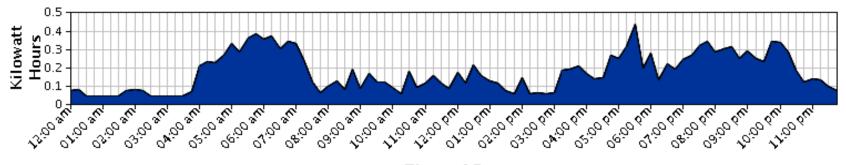
End Date:

01/28/2011

Update Report

Daily Usage (each 15 minutes) - Kilowatt Hours for 01/26/2011

Use of Electricity Each 15 Minutes



Time of Day

In-Home Displays

Visit YouTube.com/CenterPointEnergyVid – Energy InSight Center virtual tour part 3

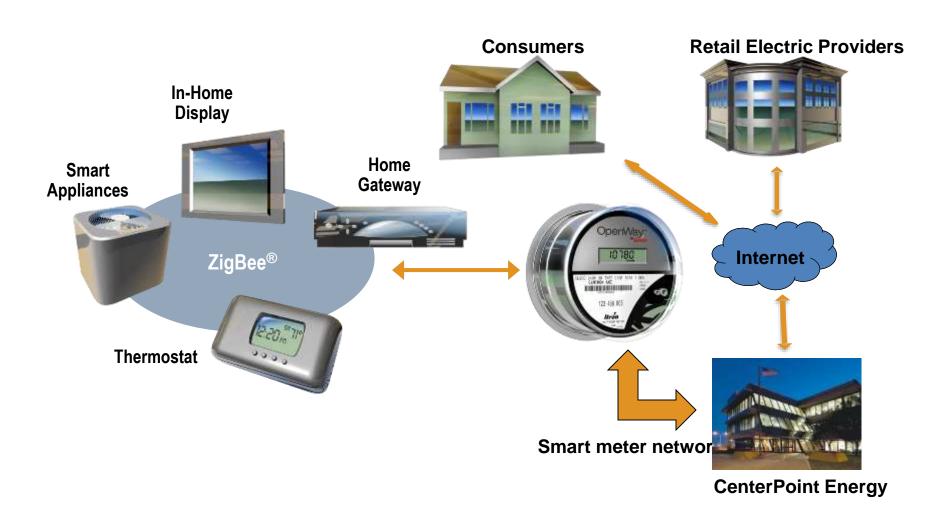




Home Area Network (HAN)



Visit YouTube.com/CenterPointEnergyVid - Energy InSight Center virtual tour part 5



Home Area Network (HAN)





HAN Devices Available To The Public



IHD/ Gateway



rainforestautomation.com swesmarts.com/products



<u>IHD</u>

aztechmeter.com



Gateway/ Load Control

buy.jetlun.com

Smart Meters are Accurate and Secure



Visit YouTube.com/CenterPointEnergyVid – Energy InSight playlist "No Test Anxiety for Smart Meters"

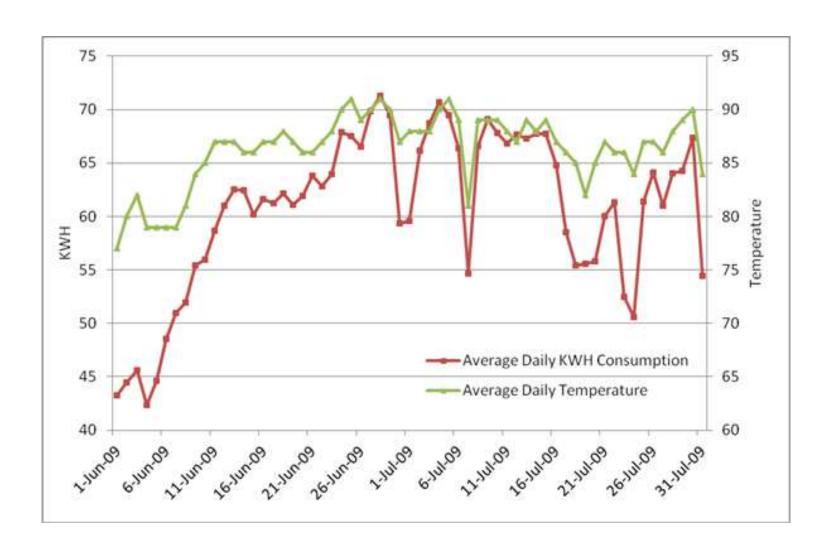
CenterPoint Energy takes the accuracy of its meters very seriously, which is why we have in place a rigorous testing and quality assurance process:

- Meter testing by the manufacturer at the plant and by CenterPoint Energy
- Comparison testing of smart meters vs. traditional meters
- Independent third-party accuracy tests
- Digital photos of removed meters to verify final readings
- Individual smart meter accuracy tests upon customer demand
- Independent meter software review
- Comprehensive cyber security program based on national standards
- Energy usage data belongs to the consumer:
 - shared only when authorized in writing by the customer
 - or authorized by regulatory authorities as necessary to conduct business (such as for billing).
- Most likely cause of high bills is increased usage (e.g. heating/cooling)

Energy Usage Drives High Bills



Visit YouTube.com/CenterPointEnergyVid – Energy InSight playlist "How much is that AC in the Window?"



The Intelligent Grid

<u>Visit YouTube.com/CenterPointEnergyVid – Energy InSight Center virtual tour part 8</u>



Combined with back office computer systems, our IG technology will automatically identify the location of power outages, isolate faulted sections of the network and re-route power from other sources, essentially "healing" the system.









Meters + Intelligent Grid = Smart Grid

CenterPoint.

Energy

<u>Visit YouTube.com/CenterPointEnergyVid – "How automatic power restoration works"</u>



CNP is being recognized as a leader in Smart Grid







What they say about CenterPoint Energy's Smart Grid Program

"Houston is at the point of the spear in teaching the rest of the United States and the world how we can work with consumers to enhance their electrical usage

- Ken Salazar, U.S. Secretary of the Interior

"CenterPoint is a true leader in the industry, well ahead of the industry in understanding the future and educating other utilities to help serve the industry as a whole."

> Joe Lang, System Planning Engineer, Lincoln Electric System

"If you are interested in reducing your energy bill, an in-home energy monitor makes it quick and easy. We reduced our energy usage enough to save almost \$400 in the first year."

- CenterPoint Energy, In-Home Display pilot participant

