

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)



CenterPoint Energy 2022 Sustainability Accounting Standards Board (SASB) Table

The Sustainability Accounting Standards Board (SASB) has established voluntary industry-specific disclosure standards across environmental, social and governance (ESG) topics that facilitate communication between companies and investors in order to simplify company-to-company comparisons.

These tables mark CenterPoint Energy’s third year of annual mapping our disclosures to the SASB Standards for the Infrastructure Sectors of Electric Utilities & Power Generators and Gas Utilities & Distributors. Our response reflects year-end 2022 performance for topics that we have identified as key issues.

As we continue to assess our data, we may choose to include additional SASB metrics in future reports. Unless otherwise stated, data relates only to the sector of our business indicated in the chart headings. Previous reports can be found in the [Report Archive](#).

ELECTRIC UTILITIES & POWER GENERATORS

Topic	SASB Code	Accounting Metric	CenterPoint Energy 2022 Response (as of December 31, 2022)
Greenhouse Gas Emissions & Energy Resource Planning	IF-EU-110a.1	(1) Global Scope 1 emissions (Metric Tons CO2e)	4,853,990
	IF-EU-110a.1	(2) Percentage covered under emissions-limiting regulations	0%
	IF-EU-110a.1	(3) Percentage covered under emissions-reporting regulations	98.96%
	IF-EU-110a.2	GHG emissions associated with power deliveries (Metric Tons CO2e)	4,355,838
	IF-EU-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	Net Zero by 2035
	IF-EU-110a.4	(1) Number of customers served in markets subject to renewable portfolio standards, (2) percentage fulfillment of RPS target.	(1) 151,651 (2) 6.7% of the 10% goal by 2025
Air Quality	IF-EU-120a.1	(1) Nitrogen Oxide (NOx) Metric Tons	3,509
	IF-EU-120a.1	(2) Sulfur Dioxide (SO2) Metric Tons	4,708
	IF-EU-120a.1	(3) Particulate Matter (PM) Metric Tons	213
	IF-EU-120a.1	(4) Lead (Pb) Metric Tons	0.387
	IF-EU-120a.1	(5) Mercury (Hg) Metric Tons	0.0089
Water Management	IF-EU-140a.1	(1) Total water withdrawn, (2) total water consumed	(1) 47,667,000,000 gallons withdrawn (2) 2,841,390,000 gallons consumed
	IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards and regulations.	0
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks.	Water Management
Coal Ash Management	IF-EU-150a.1	Metric tons of coal combustion residuals generated, percentage recycled	482,165 Metric Tons, 78% Recycled
Energy Affordability	IF-EU-240a.1	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	CenterPoint Energy Indiana Electric Rates & Tariffs CenterPoint Energy Houston Electric Rates & Tariffs
	IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	CenterPoint Energy 2022 Form 10-K: See pages 22 and 23
Workforce Health and Safety	IF-EU-320a.1	Total recordable incident rate (TRIR)	1.45
End Use Efficiency & Demand	IF-EU-420a.1	Percentage of electric utility revenues from rate structures that are decoupled or contain a lost revenue adjustment mechanism	0.36%
	IF-EU-420a.2	Percentage of electric load served by smart grid technology	99%
	IF-EU-420a.3	Customer electricity savings from efficiency measures	262,285 MWh

Nuclear Safety & Emergency Management	IF-EU-540a.1	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	N/A
	IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	N/A
Grid Resiliency	IF-EU-550a.1	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	CyberSecurity
	IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	CenterPoint Energy Houston Electric - SAIDI: 231.61, SAIFI: 1.94, CAIDI: 119.58 CenterPoint Energy Indiana - SAIDI: 454.30, SAIFI: 1.82, CAIDI: 249.90
Activity Metrics	IF-EU-000.A	Number of metered: (1) residential, (2) commercial, and (3) industrial customers served	Residential: 2,534,731 Commercial/Industrial: 323,518
	IF-EU-000.B	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, (5) wholesale customers	Total Throughout in 2022: 105,541 GWh, including 35,074 GWh for residential customers
	IF-EU-000.C	Length of transmission and distribution lines	5,019 transmission miles, 64,866 distribution miles
	IF-EU-000.D	Total electricity generated and percentage in regulated markets	4,859,746 MWh electricity generated, 100% of total electricity is generated in regulated markets

GAS UTILITIES & DISTRIBUTORS

Topic			
Energy Affordability	IF-GU-240a.1	Average retail gas rate for (1) residential, (2) commercial, (3) industrial customers and (4) transportation services only	CenterPoint Energy Rates & Tariffs CenterPoint Energy Rates & Tariffs - Indiana & Ohio
	IF-GU-240a.4	Discussion of impact of external factors on customer affordability of gas, including the economic conditions of the service territory	CenterPoint Energy 2022 Form 10-K
End-Use Efficiency	IF-GU-420a.1	Percentage of gas utility revenues from rate structures that (1) are decoupled or (2) contain a lost revenue adjustment mechanism (LRAM)	18%
	IF-GU-420a.2	Customer gas savings from efficiency measures by market	Indiana: 392,975 MCF/Dth, Ohio: 96,611 MCF/Dth, Minnesota: 2,003,321 MCF/Dth, Mississippi: 26,516 MCF/Dth
Integrity of Gas Delivery Infrastructure	IF-GU-540a.1	Number of (1) reportable pipeline incidents, (2) Corrective Action Orders (CAO) and (3) Notices of Probable Violation (NOPV)	(1) Reportable pipeline incidents: 2 (2) CAOs per 2022 PHMSA Reporting: 0 (3) NPOVs per 2022 PHMSA Reporting: 0
	IF-GU-540a.2	Percentage of distribution pipeline that is (1) cast and/or wrought iron and (2) unprotected steel	(1) 0.07% cast iron (2) 0.84% unprotected steel
	IF-GU-540a.3	Percentage of gas transmission pipelines inspected	24% of gas transmission pipeline was inspected in 2022
	IF-GU-540a.4	Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions	Safety GHG Emissions
Activity Metrics	IF-GU-000.A	Number of: (1) residential, (2 & 3) commercial and industrial customers served	(1) 3,964,221 residential customers (2 & 3) 301,834 commercial and industrial customers
	IF-GU-000.B	Amount of natural gas delivered to: (1) residential customers, (2 & 3) commercial customers and industrial customers	(1) 240 billion cubic feet (Bcf) throughput to residential customers 424 Bcf throughput to commercial and industrial customers
	IF-GU-000.C	Length of gas (1) transmission and (2) distribution pipelines	(1) 1,322 miles transmission pipeline (2) 83,761 miles distribution pipeline

CENTERPOINT ENERGY CAUTIONARY STATEMENT

This report contains statements concerning our expectations, beliefs, plans, objectives, goals, strategies, future operations, events, financial position, earnings, growth, costs, prospects, capital investments or performance or underlying assumptions and other statements that are not historical facts. These statements are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995.

You should not place undue reliance on forward-looking statements. Actual results may differ materially from those expressed or implied by these statements. You can generally identify our forward-looking statements by the words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “may,” “objective,” “plan,” “potential,” “predict,” “projection,” “should,” “target,” “will,” or other similar words. The absence of these words, however, does not mean that the statements are not forward-looking.

We have based our forward-looking statements on our management’s beliefs and assumptions based on information currently available to our management at the time the statements are made. Actual events and results may differ materially from those expressed or implied by these forward-looking statements. Any statement on this website regarding future events, such as CenterPoint Energy’s carbon emission reduction goals, including its Net Zero emission goals, and its ability to achieve such goals and related timing thereof, the advancement of and use of new technologies for alternative energy sources, CenterPoint Energy’s ability to achieve its generation transition, including its transition to cleaner energy, and the timing thereof, CenterPoint Energy’s ability to continue to modernize its distribution grid, executive management continuity and succession planning, future board composition, corporate governance commitments, strategic plans and value creation, capital investments (including with respect to renewables projects, mobile generation spend), business opportunities, future financial performance and results of operations, renewable energy growth objectives and any other statement that is not historical fact are forward-looking statements. We caution you not to place undue reliance on any forward-looking statements and that assumptions, beliefs, expectations, intentions and projections about future events may and often do vary materially from actual results. Accordingly, we cannot assure you that actual results will not differ materially from those expressed or implied by our forward-looking statements.

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) CenterPoint Energy’s business strategies and strategic initiatives, restructurings, including the completed internal restructuring of certain subsidiaries, joint ventures and acquisitions or dispositions of assets or businesses, including the completed sales of its Natural Gas businesses in Arkansas and Oklahoma and Energy Systems Group, LLC and its subsidiaries, the exit from the midstream sector, which we cannot assure will have the anticipated benefits to CenterPoint Energy; (2) industrial, commercial and residential growth in our service territories and changes in market demand, including the effects of energy efficiency measures and demographic patterns; (3) CenterPoint Energy’s ability to fund and invest planned capital and the timely recovery of CenterPoint Energy’s investments, including those related to Indiana Electric’s generation transition plan as part of its Integrated Resource Plans; (4) CenterPoint Energy’s ability to successfully construct, operate, repair and maintain electric generating facilities, natural gas facilities, temporary emergency electric energy facilities (TEEEF) and electric transmission facilities, including complying with applicable environmental standards and the implementation of a well-balanced energy and resource mix, as appropriate; (5) timely and appropriate rate actions that allow recovery of costs and a reasonable return on investment, including the timing and amount of recovery of Houston Electric’s TEEEF leases; (6) economic conditions in regional and national markets, including inflation, interest rates and instability of banking institutions, and their effect on sales, prices and costs; (7) weather variations and other natural phenomena, including the impact of severe weather events on operations, capital and legislation such as seen in connection with the February 2021 winter storm event; (8) increases in commodity prices; (9) volatility in the markets for natural gas as a result of, among other factors, armed conflicts, including the conflict in Ukraine and the related sanctions on certain Russian entities; (10) changes in rates of inflation; (11) continued disruptions to the global supply chain, including tariffs and other legislation impacting the supply chain, that could prevent CenterPoint Energy from securing the resources needed to, among other things, fully execute on its 10-year capital plan or achieve its Net Zero and carbon emissions reduction goals; (12) non-payment for our services due to financial distress of our customers and the ability of our customers, including retail electric providers (REPs), to satisfy their obligations to CenterPoint Energy, Houston Electric and CERC, and the negative impact on such ability related to adverse economic conditions and severe weather events; (13) public health threats, such as COVID-19, and their effect on CenterPoint Energy’s operations, business and financial condition, its industries and the communities it serves, U.S. and world financial markets and supply chains, potential regulatory actions and changes in customer and stakeholder behavior relating thereto; (14) state and federal legislative and regulatory actions or developments affecting various aspects of CenterPoint Energy’s businesses, including, among others, energy deregulation or re-regulation, pipeline integrity and safety and changes in regulation and legislation pertaining to trade, health care, finance and actions regarding the rates charged by our regulated businesses; (15) direct or indirect effects on CenterPoint Energy’s facilities, resources, operations and financial condition resulting from terrorism, cyber attacks or intrusions, data security breaches or other attempts to disrupt their businesses or the businesses of third parties, or other catastrophic events such as fires, ice, earthquakes, explosions, leaks, floods, droughts, hurricanes, tornadoes and other severe weather events, pandemic health events or other occurrences; (16) tax legislation, including the effects of the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Inflation Reduction Act (IRA) (which includes but is not limited to any potential changes to tax rates, Corporate Alternative Minimum Tax imposed, tax credits and/or interest deductibility), as well as any changes in tax laws under the current or future administrations, and uncertainties involving state commissions’ and local municipalities’ regulatory requirements and determinations regarding the treatment of excess deferred income taxes and CenterPoint Energy’s rates; (17) CenterPoint Energy’s ability to mitigate weather impacts through normalization or rate mechanisms, and the effectiveness of such mechanisms; (18) actions by credit rating agencies, including any potential downgrades to credit ratings; (19) matters affecting regulatory approval, legislative actions, construction, implementation of necessary technology or other issues with respect to major capital projects that result in delays or cancellation or in costs that cannot be recouped in rates; (20) local, state and federal legislative and regulatory actions or developments relating to the environment, including, among others, those related to global climate change, air emissions, carbon, waste water discharges and the handling and disposal of coal combustion residuals that could impact operations, cost recovery of generation plant costs and related assets, and CenterPoint Energy’s Net Zero and carbon emissions reduction goals; (21) the impact of unplanned facility outages or other closures; (22) the sufficiency of CenterPoint Energy’s insurance coverage, including availability, cost, coverage and terms and ability to recover claims; (23) the availability and prices of raw materials and services and changes in labor for current and future construction projects and operations and maintenance costs, including our ability to control such costs; (24) impacts from CenterPoint Energy’s pension and postretirement benefit plans, such as the investment performance and increases to net periodic costs as a result of plan settlements and changes in assumptions, including discount rates; (25) changes in interest rates and their impact on costs of borrowing and the valuation of CenterPoint Energy’s pension benefit obligation; (26) commercial bank and financial market conditions, including disruptions in the banking industry, CenterPoint Energy’s access to capital, the cost of such capital, impacts on CenterPoint Energy’s vendors, customers, and suppliers, and the results of CenterPoint Energy’s financing and refinancing efforts, including availability of funds in the debt capital markets; (27) inability of various counterparties to meet their obligations to CenterPoint Energy; (28) the extent and effectiveness of CenterPoint Energy’s risk management activities; (29) timely and appropriate regulatory actions, which include actions allowing securitization, for any hurricanes or other severe weather events, or natural disasters or other recovery of costs, including stranded coal-fired generation asset costs; (30) acquisition and merger or divestiture activities involving CenterPoint Energy or its industry, including the ability to successfully complete merger, acquisition and divestiture plans; (31) CenterPoint Energy’s ability to recruit, effectively transition and retain management and key employees and maintain good labor relations; (32) changes in technology, particularly with respect to efficient battery storage or the emergence or growth of new, developing or alternative sources of generation, and their adoption by consumers; (33) the impact of climate change and alternate energy sources on the demand for natural gas and electricity generated or transmitted by us; (34) the timing and outcome of any audits, disputes and other proceedings related to taxes; (35) the recording of impairment charges; (36) political and economic developments, including energy and environmental policies under the current administration; (37) the transition to a replacement for the LIBOR benchmark interest rate; (38) CenterPoint Energy’s ability to execute on its strategy, initiatives, targets and goals, including its Net Zero and carbon emissions reduction goals and its operations and maintenance expenditure goals; (39) the outcome of litigation, including litigation related to the February 2021 winter storm event; (40) obligations related to warranties, guarantees and other contractual and legal obligations; (41) the effect of changes in and application of accounting standards and pronouncements; and (42) other factors discussed in CenterPoint Energy’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022, its Quarterly Reports on Form 10-Q for the quarters ended March 31, 2023 and June 30, 2023, and other reports CenterPoint Energy or its subsidiaries may file from time to time with the Securities and Exchange Commission.

This report contains time-sensitive information that is accurate as of September 14, 2023. Some of the information in this report is unaudited and may be subject to change. We undertake no obligation to update the information presented herein, except as required by law.

Net Zero Disclaimer: CenterPoint Energy’s **Scope 1 emissions** estimates are calculated from emissions that directly come from its operations. CenterPoint Energy’s **Scope 2 emissions** estimates are calculated from emissions that indirectly come from its energy usage, but because Texas is in an unregulated market, its Scope 2 estimates do not take into account Texas electric transmission and distribution assets in the line loss calculation and exclude emissions related to purchased power between 2024E-2026E. CenterPoint Energy’s **Scope 3 emissions** estimates are based on the total natural gas supply delivered to residential and commercial customers as reported in the U.S. Energy Information Administration (EIA) Form EIA-176 reports and do not take into account the emissions of transport customers and emissions related to upstream extraction. While CenterPoint Energy believes that it has a clear path towards achieving its Net Zero emissions (Scope 1 and certain Scope 2) by 2035 goals, its analysis and path forward required it to make a number of assumptions. These goals and underlying assumptions involve risks and uncertainties and are not guarantees. Should one or more of our underlying assumptions prove incorrect, CenterPoint Energy’s actual results and ability to achieve Net Zero emissions by 2035 could differ materially from its expectations. Certain of the assumptions that could impact our ability to meet its Net Zero emissions goals include, but are not limited to: emission levels, service territory size and capacity needs remaining in line with company expectations (inclusive of changes related to the sale of CenterPoint’s Natural Gas businesses in Arkansas and Oklahoma); regulatory approval of Indiana Electric’s generation transition plan; impacts of future environmental regulations or legislation; impacts of future carbon pricing regulation or legislation, including a future carbon tax; price, availability and regulation of carbon offsets; price of fuel, such as natural gas; cost of energy generation technologies, such as wind and solar, natural gas and storage solutions; adoption of alternative energy by the public, including adoption of electric vehicles; rate of technology innovation with regards to alternative energy resources; CenterPoint Energy’s ability to implement its modernization plans for its pipelines and facilities; the ability to complete and implement generation alternatives to Indiana Electric’s coal generation and retirement dates of Indiana Electric’s coal facilities by 2035; the ability to construct and/or permit new natural gas pipelines; the ability to procure resources needed to build at a reasonable cost, the lack of or scarcity of resources and labor, the lack of any project cancellations, construction delays or overruns and the ability to appropriately estimate costs of new generation; impact of any supply chain disruptions; changes in applicable standards or methodologies; and enhancement of energy efficiencies.