

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In re APPLICATION OF CENTERPOINT)
ENERGY SERVICES, INC. FOR AN) CASE NO. U-16527
ALTERNATIVE GAS SUPPLIER LICENSE)

AGS LICENSE APPLICATION OF CENTERPOINT ENERGY SERVICES

CenterPoint Energy Services, Inc. (“CES” or the “Company”) hereby requests that the Michigan Public Service Commission grant CES a license to provide Alternative Gas Supplier (“AGS”) services to consumers in the State of Michigan that are eligible to participate in utility gas choice programs. In support of this Application, CES states as follows:

INTRODUCTION

1. As detailed below, CES has the financial, managerial and technical capabilities to be granted an AGS license.

2. CES is a wholly-owned subsidiary of CenterPoint Energy, Inc. (“CEI”), an energy delivery and “Fortune 500” company. CEI is a publicly traded company on the New York Stock Exchange, listed under the ticker symbol “CNP.” CEI’s other wholly-owned subsidiaries (and CES’s affiliates) include the following regulated companies:

(a) an electric transmission and distribution public utility (CenterPoint Energy Houston Electric, LLC) serving over 2 million electric utility customers in the Houston, Texas area under the ratemaking and regulatory jurisdiction of the Texas Public Utility Commission;

(c) natural gas public utilities (CenterPoint Energy Resources Corp.) in the States of Arkansas (d/b/a CenterPoint Energy Arkansas Gas), Louisiana (d/b/a CenterPoint Energy Louisiana Gas), Mississippi (d/b/a CenterPoint Energy Mississippi Gas), Minnesota (d/b/a CenterPoint Energy Minnesota Gas); Oklahoma (d/b/a CenterPoint Energy Oklahoma Gas); and Texas (d/b/a CenterPoint Energy Texas Gas), with a combined total of 3.2 million natural gas utility customers under the ratemaking and regulatory jurisdiction of the relevant public service commissions in those states; and

(b) an interstate pipeline company (CenterPoint Energy Gas Transmission

Company, LLC) owning 8,200 miles of interstate pipeline that transports over 1,600 billion cubic feet of natural gas annually under the ratemaking and regulatory jurisdiction of the Federal Energy Regulatory Commission.

3. CES, unlike its regulated affiliates, provides competitive natural gas sales to retail (primarily commercial and industrial) consumers and to electric power generators and natural gas local distribution companies at market-based rates through fixed and variable price plan offers.

4. CES is actively marketing natural gas to customers in the following states: Arkansas, Florida, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan (presently only to transportation gas customers and not to retail choice program customers), Minnesota, Mississippi, Missouri, Nebraska, Oklahoma, Pennsylvania, South Dakota, Texas and Wisconsin.

5. CES currently serves a combined total of over 11,000 gas supply customers in these states, and in 2009 CES marketed 504 billion cubic feet of natural gas to its customers.

6. CES is also presently a licensed AGS under the existing natural gas utility retail choice programs of NIPSCO (an unaffiliated incumbent natural gas utility in the State of Indiana) and UGI (an unaffiliated incumbent natural gas utility in the State of Pennsylvania), pursuant to the regulatory requirements established for AGS participation in those programs by the Indiana Regulatory Utility Commission and the Pennsylvania Public Utility Commission, respectively.

7. As shown in CEI's 2009 Annual Report,¹ CES reported \$21 million in net operating income, and CEI's total net operating income for all of its subsidiaries was \$372 million.

8. The following parts of this Application follow the application format approved by the Commission in its order in U-13694 and set out in the application form available on the Commission's website.

¹ CEI's Annual Reports and 10-K Forms (containing CEI's audited financial statements going back to 2003) can be downloaded from the following website: <http://investors.centerpointenergy.com/annuals.cfm>.

PART I – FITNESS

1. Name and Michigan office address, phone and fax numbers, and e-mail address:

The address of CES’s registered office in Michigan is:

**CenterPoint Energy Services, Inc.
30600 Telegraph Rd.
Bingham Farms, MI 48205**

2. Name of contact person, phone number, and E-mail address for this application process:

**Mickey S. Moon
Assistant General Counsel
CenterPoint Energy, Inc.
1111 Louisiana Street, Suite 4600
Houston, TX 77002
713-207-7231
mickey.moon@centerpointenergy.com**

3. If principle place of business is outside Michigan, please provide name, address, phone number, and e-mail address:

**Eric Sullivan
Division Vice President of Retail Marketing
CenterPoint Energy Services, Inc.
1111 Louisiana Street, Suite 2000
Houston, TX 77002
713-207-7160
eric.sullivan@centerpointenergy.com**

4. Name and telephone number of a 24-hour contact person for customers:

The Company maintains a toll-free customer service number, 800-495-9880, answered by customer service representatives that are employees of the Company. This number is answered only during normal business hours. In addition, each customer signed to a contract with CES has an assigned account manager set forth in the customer’s contract, which contract will include that person’s contact information for the customer to call or email. The Company does not provide a 24-hour contact for customers.

5. Type of legal entity: **Corporation**

a. Date and State legal entity was organized: **October 18, 1995, Delaware**

b. Purpose for which the legal entity was organized: **As stated in its Certificate of Incorporation, the purpose of the Company “is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.”**

- c. Please submit your Certificate for Authority to Transact Business in MI (if Foreign Corp, LLC, LPC). *See Attachment 1.*

6. Specify type of provider (utility, marketer, utility affiliate, independent power producer):

Marketer

7. Business affiliation (whether utility or other):

CES is not affiliated with any Michigan utility. CES's affiliated businesses are described in the introductory paragraph 2 of this Application.

8. FERC authorization type(s) and number(s) if applicable

Not applicable

9. Broker's name, address, telephone number (if applicable list all)

CES has no plans at this time to use a third party agent or broker to market AGS sales to Michigan choice customers. Rather, CES plans to use its own employees for such marketing activities.

10. Please list past or future planned name changes (if applicable)

As shown in Attachment 1 hereto, the Company was formerly known as CenterPoint Energy Gas Services, Inc. On May 13, 2005, the Company changed its name to CenterPoint Energy Services, Inc. The Company has no future name changes planned.

11. Has the applicant or any predecessor of the applicant during your company's history:

- Mislead a potential customer into signing a contract;
- Defaulted on a contract;
- Did not abide by the terms of the contract;
- Committed any violations of law or business ethics in connection with the provision of energy or energy-related products and services anywhere in the United States that resulted in a conviction or acceptance of a penalty for said behavior.

To the best of its knowledge, information and belief, neither CES nor any predecessor of CES has ever mislead a potential customer into signing a contract; defaulted on a contract; failed to abide by the terms of a customer contract; or committed any violations of law or business ethics in connection with the provision of energy or energy-related products and services anywhere in the United States that resulted in a conviction or acceptance of a penalty for said behavior.

12. A separate legal affidavit, signed by a corporate officer with proper authority, which shall attest to the competence of the company's employees to market natural gas as an AGS.

See Attachment 2.

PART II - COMPLIANCE COMMITMENT

A supplier must demonstrate that it has the necessary technical and managerial capabilities to ensure adequate service to customers in Michigan. Please provide a complete summary of information (under separate cover if confidential) covering the applicant's:

1. Corporate/Company history with Biographies of Key Personnel (this may include experience as a supplier of retail energy, including natural gas or electricity).

CES is a wholly-owned subsidiary of CEI. CEI's most recent former names include: Arkla, Entex, Minnegasco, Houston Power & Light, NorAm, and Reliant.

CEI, and its predecessor companies, have been in the energy delivery business since 1866 (when the Houston Gas Light Company was formed, supplying gas for street lighting). In 1905, its future affiliated predecessors also formed natural gas distribution companies serving cities initially in Texas, Arkansas and Louisiana. Over the years its predecessors built, merged with or acquired additional energy delivery assets and companies, including additional natural gas distribution systems in Arkansas, Louisiana, Oklahoma, Texas, Mississippi, and Minnesota, and the electric transmission and distribution system serving Houston, Texas. CEI and its predecessors have also built and acquired significant natural gas storage and transportation capacity (pipelines and storage facilities) throughout the United States.

In 2009, CEI's electric utility subsidiary began deploying smart meters to all retail electric customers in Houston, a process that will be completed by June 2012. It is also concurrently deploying an intelligent grid network over its entire electric distribution and transmission system.

Today, CEI and its subsidiaries have over 8,000 employees.

CES was organized on October 18, 1995 in Delaware as a wholly-owned subsidiary of CEI. Its original corporate name was NorAm Energy Management, Inc. In 1999, its name was changed to Reliant Energy Retail, Inc. In 2002, its name was again changed to CenterPoint Energy Marketing, Inc. In 2003, its name was again changed to CenterPoint Energy Gas Services, Inc. Finally, in 2005, its name was changed to CenterPoint Energy Services, Inc.

Since its formation in 1995, CES has been a natural gas marketer selling unbundled natural gas on an unregulated basis to owners of gas-fired electric generators, natural gas local distribution companies, and large industrial and commercial transportation customers of natural gas utilities.

CES currently has 133 employees in offices in the following 11 cities:

- Houston, TX;
- Dallas, TX;
- New Iberia, LA;
- Shreveport, LA;
- St. Louis, MO;
- Little Rock, AR;
- Minneapolis, MN;
- Madison, WI;
- Downers Grove, IL;
- Merrillville, IN; and
- Hershey, PA

CES is comprised of three business segments: a retail marketing division led by Eric Sullivan; a wholesale division led by Geoffrey Carroll; and an intrastate pipeline and business development division led by Richard Snyder. All of them report directly to Wayne Stinnett, the Company's President, who in turn reports directly to the CEO of CEI, David McClanahan.

As part of large integrated energy delivery company, CES is able to share in the corporate support services provided by CEI to all of its subsidiaries. Such support services include finance, accounting, tax, legal, risk management, IT and human resources. All of CEI's subsidiaries, including CES, are headquartered in the same building in downtown Houston, Texas.

CES's key executives are:

- Wayne D. Stinnett, Jr., Division President
- Eric W. Sullivan, Division Vice President – Marketing
- Geoffrey W. Carroll, Division Vice President – Wholesale
- Richard J. Snyder, Division Vice President – Business Development
- John S. Dunlap, Division Vice President – Business Services

See Attachment 3 for each of their biographies.

2. All service quality and reliability issues:
 - The total number of customer complaints.

The Company has not received any customer complaints from any of its AGS customers under any of the retail utility choice programs in which it participates (see introductory paragraph 6 of this Application). In addition, the Company is unaware of any complaints made by a customer against CES in any state public utility commission or with any other state or federal regulatory agency in any of the states in which it markets natural gas (see introductory paragraph 4 of this Application).

- Any and all violations or failures to perform on customer contracts, obligations to sell, serve or otherwise provide gas to customers by the applicant or any predecessor or affiliate entity.

The Company has not violated or otherwise breached a customer contract, and any failure to provide gas to a firm customer in the past would have been due to a *force majeure* event, such as a failure of an upstream gas transporter or a failure in the availability of supply due to a hurricane or other event beyond the reasonable control of any party, and such failures are rare and do not constitute violations of a customer contract.

3. Audited financial statements of the applicant for its two most recent fiscal years or other documentation, by affidavit, providing detailed factual data pertaining to applicant's financial standing.

Please see <http://investors.centerpointenergy.com/annuals.cfm> for the audited financial statements of CEI for its most recent fiscal years going back to 2003. The audited financial statements of CEI that can be viewed and downloaded from this website are publicly filed with the SEC and are not confidential.

4. Please provide the means for the required \$100,000 bond or letter of credit to ensure adequate service to customers in Michigan (sample language will be provided after review).

A bond or letter of credit in the amount of \$100,000 will be provided if requested by the Commission.

5. Overview of business plan including risk management strategy or policy.

CES currently has 42 customer accounts in Michigan (all transport, not choice). CES intends to hire at least one local direct sales representative to make face-to-face and telephone calls to prospective choice customers, whose office will be in Michigan. CES may also engage in mass marketing campaigns to choice customers in Michigan after approval of its AGS license is obtained.

CEI provides risk management services for CES as a corporate support service. CEI's risk management policy applicable to all CEI subsidiaries, including CES, is confidential and will be made available to Commission Staff upon request.

6. Outline of staffing and procedures for responding to customer inquiries and complaints.

Customers are provided the option to contact us by phone or they may also complete a "contact us" form on our website. Either way, we attempt to address any inquiries or concerns within one business day. All calls and emails not made directly to the account executive or the person listed on the contract are routed to our office in Minneapolis. Our staff in Minneapolis is trained to handle a variety of calls and when they cannot address the issue, they are able to pass the issue onto the appropriate person.

PART III - COMPLIANCE COMMITMENT

By signing this application and providing the affidavit letter required in item 12 of this application, the applicant and its representatives (1) certify that the information provided herein is accurate and complete and (2) agree to abide by the provisions of this agreement including the Terms and Conditions for a Michigan alternative natural gas supplier set out below.



Signature

1-11-11
Date

ERIC SULLIVAN
Name

DIVISION, V.P.
Title

Terms and Conditions

1. **Supplier contact information.** An AGS shall notify the Staff of any change in the AGS's name, corporate structure, Michigan address, telephone number, and contact person, or agent.
2. **Michigan office.** An AGS shall maintain a Michigan office. An AGS representative, toll free telephone number, e-mail address, and website must be made available at all times to enable customers to contact or make inquiry with the AGS.
3. **FERC authorization.** An AGS shall obtain any authorizations required by the FERC, including any authorization required by the FERC to become a natural gas retail marketer. An AGS shall notify the Staff within 30 days of any FERC determination regarding the AGS's provision of natural gas to retail customers.
4. **Business practices and ethics disclosure.** An AGS shall follow all state and federal laws, as well as Commission policies and practices that may be established. Violations of law or business ethics by an AGS or an AGS's agent in connection with provision of energy or energy-related products or services anywhere must be disclosed to the Staff within 30 days of any conviction or penalty determined or imposed by a court or an administrative agency.
5. **Product/Service disclosures.** An AGS shall conform to all customer disclosure requirements set by the Commission under authority of Act 634.
6. **Product/Service marketing and contract practices.** An AGS shall ensure fair and truthful representation of all products or services provided under a gas customer choice program in Michigan.
7. **Customer enrollment and services.** Enrollment of customers in the Michigan retail access program shall strictly follow the procedures authorized by the Commission. Slamming (unauthorized switching) or cramming (unauthorized adding of additional products or services not requested by the customer) as outlined in subsections (2) and (4) of Act 634 constitute serious offenses in the enrollment process. An AGS shall not include or add products or services without authorization as outlined in Act 634 and shall conform to all state and federal

laws and regulations regarding the retail sale of products and services.

8. **Termination of service to customer.** The delivery of natural gas is the sole province of the natural gas utility offering the gas customer choice program. Termination of service to a gas customer choice customer will be handled by the natural gas utility in conformity with all rules and procedures authorized by the Commission.
9. **Utility tariffs and rules of service.** AGSs shall comply with utility tariffs and rules of service established and authorized by the Commission or the FERC that are applicable to the AGS or its retail customers.
10. **Customer confidentiality.** Information obtained from a customer or a potential customer by an AGS or an agent of an AGS is to be held in strict confidence and shall not be disclosed unless disclosure of the information is necessary to service the customer or to verify the potential customer's credit information. In the event that a customer's or a potential customer's confidential information is disclosed to a third party for any purpose, the AGS shall ensure that the party to whom the information is disclosed is informed of the duty to maintain the confidentiality of such information in the future. Any other use of such confidential information is prohibited absent the express approval of the customer or potential customer. Solicitation for such approval shall not be commingled with other offers, contracts, or approvals.
11. **Customer data requests.** A customer shall have the right to obtain its own billing and natural gas consumption data that is in the possession of the AGS.
12. **Associated broker, aggregator, or marketer.** An AGS that relies on the services of brokers, aggregators, or marketers shall pledge a best faith effort to hold them in compliance with provisions of this agreement. AGSs shall supply the Staff with the address, telephone number, name of a contact, and business affiliation of any brokers, aggregators, or marketers used by the AGS.
13. **State taxes, fees and revenue collection.** An AGS shall collect and remit all applicable state taxes, fees, and charges levied on energy suppliers as a class of business providers, including those fees and charges established by the Commission to implement and enforce this program, unless the natural gas utility is doing so on behalf of the AGS.
14. **Reporting.** AGSs shall provide statistical data regarding their retail sales and wholesale transactions to the Commission and its Staff upon request. The books and records of an AGS shall be made available by the AGS so that the Commission and its Staff may verify the accuracy of the statistical data.

ATTACHMENT 1

**AGS LICENSE APPLICATION OF
CENTERPOINT ENERGY SERVICES, INC.**

CASE NO. U-16527

**CERTIFICATE OF AUTHORITY TO TRANSACT
BUSINESS IN MICHIGAN**

MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH BUREAU OF COMMERCIAL SERVICES, CORPORATION DIVISION			
MAY 23 2005		FILED	
		MAY 24 2005	
Administrator BUREAU OF COMMERCIAL SERVICES			
EFFECTIVE DATE:			

Name	E. A Wallace, CT Corporation		
Address	1021 Main, Suite 1150		
City	State	Zip code	
Houston	Texas	77002	

Document will be returned to the name and address you enter above

**AMENDED APPLICATION FOR CERTIFICATE OF AUTHORITY
TO TRANSACT BUSINESS IN MICHIGAN**
For use by Foreign Corporations
(Please read information and instructions on the last page)

Pursuant to the provisions of Act 284, Public Acts of 1972, the undersigned corporation executes the following Amended Application:

<ol style="list-style-type: none"> 1. The name of the corporation is: CENTERPOINT ENERGY GAS SERVICES, INC. 2. If the name in item 1 was not available for use in Michigan, the assumed name adopted when obtaining the Certificate of Authority is: 3. The identification number assigned by the Bureau is: 649392. 4. It is incorporated under the laws of DELAWARE. 5. The corporation was authorized to transact business in Michigan on January 30, 2004 . 6. The period of its duration (corporation term) is perpetual.
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<ol style="list-style-type: none"> 7. a) The total authorized shares of the corporation on record with the Bureau of Commercial Services are 1,000.0 as of May 19, 2005 b) The shares attributable to Michigan as currently on the records of the Bureau of Commercial Services are: 60,000 c) If the total authorized stock has changed, the total authorized shares of the corporation are _____ The effective date of the stock change was the _____ day of _____, _____. d) For year ending _____ the apportionment percentage from the most recently filed Single Business tax return is: _____ %.

1250 180553 CD

8. If the name of the corporation has changed, its new name is:

CenterPoint Energy Services, Inc.

the effective date of the name change was the 13 day of May, 2005 and the name change was made in compliance with the laws of the jurisdiction of its incorporation.

9. Complete this item only if the new name in Item 8 is not available for use in Michigan. The assumed name of the corporation to be used in all its dealings with the Bureau and in the transaction of its business in Michigan is:

10. If the assumed name in Item 2 has changed, the new name is:

11. The address of its registered office in Michigan is:

30600 Telegraph Rd. Bingham Farms Michigan 48205
(Street Address) (City) (Zip Code)

The mailing address of the registered office in Michigan, if different than above, is:

_____, Michigan _____
(Street Address or P.O. Box) (City) (Zip Code)

The name of the resident agent at the registered office is: The Corporation Company

The resident agent is an agent of the corporation upon whom process against the corporation may be served.

12. The address of the main business or headquarters office of the corporation is:

1111 Louisiana Houston Texas 77002
(Street Address) (City) (State) (Zip Code)

The mailing address if different than above is:

P. O. Box 2628 Houston Texas 77252
(Street Address or P.O. Box) (City) (State) (Zip Code)

13. If the business the foreign corporation proposes to do in this State is to be enlarged, limited, or otherwise changed, the specific business which the corporation is to transact in Michigan is as follows:

No Change

The corporation is authorized to transact such business or conduct such affairs in the jurisdiction of its incorporation.

Signed this 23rd day of May 2005

By James G. Beste
(Signature of Authorized Officer or Agent)

James G. Beste, Assistant Secretary

(Type or Print Name)

ATTACHMENT 2

AGS LICENSE APPLICATION OF CENTERPOINT ENERGY SERVICES, INC.
CASE NO. U-16527

AFFIDAVIT

State of Texas)
) ss.
County of Harris)

I, Eric W. Sullivan, on oath, state the following:

1. I am Division Vice President of Marketing for CenterPoint Energy Services, Inc. ("CES"). My business address is 1111 Louisiana, Houston, Texas 77002.

2. In my position as Division Vice President, I am responsible for all retail marketing activities engaged in by CES.

3. CES has approximately 133 employees, of which 58 report up to me.

4. CES has been engaged in the retail natural gas marketing business for over 15 years, and its employees have extensive experience and knowledge concerning the upstream and downstream natural gas markets in general and in competitive gas sales in particular.

5. Our employees successfully manage relationships with over 11,000 retail gas customers located in 19 states.

6. We conduct extensive training with our employees and abide strictly to high ethical standards in our dealings with customers.

7. CES and its employees are competent to market natural gas as an AGS.

8. The above statements are true and correct to the best of my knowledge, information and belief.

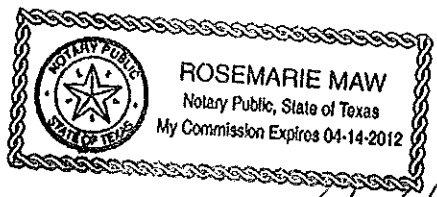
Further affiant sayeth not.

Eric W. Sullivan
Eric W. Sullivan

1-10-11
Date

Sworn to and subscribed
before me this 10th
day of January, 2011.

Rosemarie Maw
Notary Public



My commission expires on 4/14/2012

**BIOGRAPHIES OF
KEY EXECUTIVES OF CENTERPOINT ENERGY SERVICES, INC.**

WAYNE D. STINNETT, JR.

Current Position: Division President, CenterPoint Energy Services, Inc.

Previous Positions: He joined the CEI organization in 1983 as vice president of rates for Entex (a subsidiary natural gas delivery company in the CEI organization) and served in various executive management positions including rates, information technology and technical services through 1991. Stinnett was then named senior vice president and chief financial officer of Entex in 1994 and assumed responsibility for accounting, rates, information technology, gas supply and Entex Fuels.

Before joining the CEI organization, Stinnett was an audit manager with Arthur Andersen & Co. in the regulated utility practice in Houston. Before joining Andersen in 1978, he was Assistant Professor of Accounting in the Jesse Jones Graduate School of Business and Public Management at Rice University.

Education and Accreditation: Stinnett has a master's degree in economics from Rice University and is a certified public accountant.

Affiliations and Honors: He is a member of both the American and Southern Gas Associations.

Personal: Stinnett is a native of California

**BIOGRAPHIES OF
KEY EXECUTIVES OF CENTERPOINT ENERGY SERVICES, INC. (cont.)**

ERIC W. SULLIVAN

Eric Sullivan is Division Vice President for Marketing at CenterPoint Energy Services, where he is responsible for the competitive energy marketing business with retail industrial and commercial customers across the U.S.

After completing a Bachelor of Science degree in Mechanical Engineering, Eric began his career with General Electric providing power engineering services for industrial plants and utility companies. After five years with GE, Eric joined Minnegasco in 1985.

Through his gas industry career Eric held a variety of engineering, marketing and sales positions with various CenterPoint Energy predecessor companies including NorAm Energy and Reliant Energy. His background includes both regulated utility and competitive energy marketing environments.

Eric worked in Minneapolis, Minnesota until 2008 when he moved to the Houston headquarters to take on an expanded role with CenterPoint Energy Services, Inc.

**BIOGRAPHIES OF
KEY EXECUTIVES OF CENTERPOINT ENERGY SERVICES, INC. (cont.)**

GEOFFREY W. CARROLL

GEOFFREY CARROLL (Geoff) is Division Vice President of Wholesale Trading and Marketing for CenterPoint Energy Services, Inc., the non-regulated natural gas marketing business of CenterPoint Energy. He was named to his present position in March 2007. The Wholesale Group acquires and manages natural gas supplies, transportation and storage to support end-use sales to industrial, commercial and utility customers in the eastern half of the United States. Geoff is responsible for all wholesale trading, asset optimization, gas supply and sales origination.

Geoff is a 28-year veteran of CenterPoint Energy and affiliates having held positions in Rates and Regulatory, Gas Supply and Wholesale Trading. Prior to assuming his current role, Geoff was most recently Division Vice President of Term Origination responsible for commodity and structured product sales to utility and industrial customers throughout the Gulf Coast, Mid-Continent, Midwest, Southeast and Northeast regions of the country. Geoff also previously managed and directed the wholesale natural gas trading activities in the Gulf Coast region for CenterPoint Energy Services from March 1991 through September 2005.

Mr. Carroll has been analyzing natural gas prices and services since he began his career working in the Rates and Regulatory Division of Entex as an Associate Rate Analyst in June of 1982. At that time he was involved in the financial analysis of the gas cost recovery provisions and the cost of service related to the companies numerous regulated tariff rates. In December of 1988 Mr. Carroll joined the newly created Gas Supply Department as the Coordinator of Volume Administration, assuming primary responsibility for the scheduling of natural gas from the wellhead to the Entex City Gates for ultimate delivery to the companies end use customers. In October of 1989 Mr. Carroll was named Coordinator of Gas Supply and Transportation and took on the additional role of purchasing all the gas supply for the utilities' industrial customers throughout the Gulf Coast Region including the HSC Region. In March of 1991 Mr. Carroll was promoted to Manager of Gas Supply and Transportation and was instrumental in the formation of Entex Gas Marketing Company, a non-regulated marketing affiliate, which was the predecessor to CenterPoint Energy Services, Inc. Mr. Carroll continued with the company as its Manager of Gas and Financial Trading (January 2001) and Director of Gulf Coast Gas (December 2003).

Geoff holds a degree in Economics from Stephen F. Austin University in Nacogdoches, TX.

Geoff is married to his wife Cynthia of twenty five years and they have a twenty year old son Michael.

**BIOGRAPHIES OF
KEY EXECUTIVES OF CENTERPOINT ENERGY SERVICES, INC. (cont.)**

RICHARD J. "DICK" SNYDER

Richard J. "Dick" Snyder is Division Vice President of Business Development at CenterPoint Energy Services, the unregulated natural gas marketing division of Houston-based CenterPoint Energy.

In this capacity, Mr. Snyder is responsible for CenterPoint's intrastate pipelines, fundamental analysis, financial trading, economic analysis and facilities planning.

Mr. Snyder began his career with Tenneco and was the officer in charge of strategic planning, domestic and international business development, and the start up of various functions and businesses.

Following the sale of Tenneco's energy division, Mr. Snyder became a principal in Pendulum Energy with a successful domestic and international consulting practice.

Mr. Snyder later served as President & COO of CenterPoint Energy Power Systems where he formulated and executed the business strategy related to CenterPoint's fuel cell development efforts.

Most recently he served as Director Business Development: Planning and Analysis for CenterPoint Energy Gas Transmission (CEGT).

He has served as chair and participant in numerous natural gas industry committees, associations, and task forces (American Gas Association, Interstate Natural Gas Association of America, National Petroleum Council, Potential Gas Committee, etc.).

As a consequence, he participated in activities related to (1) natural gas supply/demand, (2) strategic planning, (3) gas rate fundamentals and rate of return levels, and (4) resource base estimates.

Mr. Snyder served as adjunct professor in Houston Baptist University's MBA programs.

Mr. Snyder is a native of Houston, Texas and attended St. Thomas High School. He graduated *magna cum laude* from the University of Houston with a BS in Mathematics and from Sam Houston State University with an MBA. He served in the US Army Reserve Corps of Engineers for 6 years.

He and his wife currently reside in Montgomery, Texas

**BIOGRAPHIES OF
KEY EXECUTIVES OF CENTERPOINT ENERGY SERVICES, INC. (cont.)**

JOHN S. DUNLAP

Division Vice President – Business Services

Education – BBA Accounting, Lamar University, Beaumont TX Graduated in 1976

Work History:

1976 – 1985 Texaco Inc.

- Primarily worked in the Audit group as well as contract accounting.

1985 – 1989 Tenneco Inc.

- Accounting Manger Tenneco Retail

1989 – present CenterPoint Energy

- Began career in accounting group, promoted to Accounting Manager; then moved to Administrative Manager, Mississippi Division; promoted to Finance Director in Retail Marketing group; currently Division VP Business Services, CES.

Affiliations – member AGA and SGA