

Natural Gas as a Transportation Fuel

NGV Strategies for CenterPoint Energy

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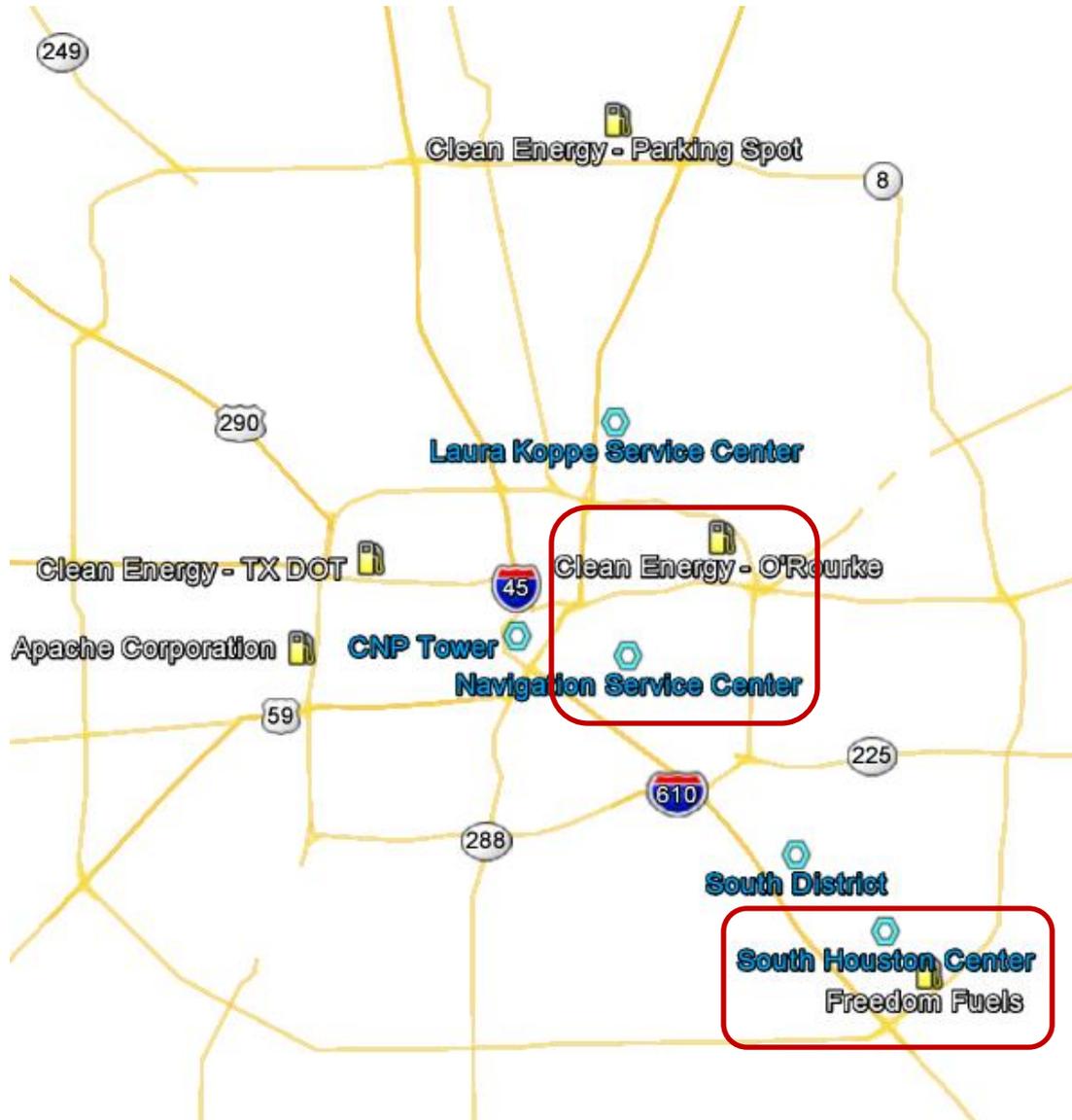
October 31, 2013

- Promoting NGV market through Marketing & Sales and Educational activities
 - Collaborate with University of Houston, Anadarko, Apache, and Southwestern Energy to form the Greater Houston NGV Alliance in 2009.
 - Provide educational forums for customers such as hosting fleet workshops, webinars, newsletters, and sponsoring alternative fuel vehicle events.
 - Active participant in the Drive Natural Gas Initiative (AGA & ANGA members).
- Responding to inquiries from potential NGV users and CNG station builders
- Provide gas distribution system infrastructure to serve CNG Stations
- Convert fleet to natural gas for cost savings and marketing purposes

- There are four major factors to consider when converting a CNP fleet vehicle to natural gas:
 - Operational – will the conversion impact work duties? Is the appropriate vehicle kit available for conversion? Is fueling infrastructure available?
 - Financial – does the conversion project have a positive NPV and acceptable payback period?
 - Strategic and Marketing – does the vehicle promote natural gas usage to the public and show CenterPoint’s commitment to CNG as a fuel source?
 - Environmental – does the conversion help CenterPoint achieve its environmental policy of “providing safe, reliable and highly valued energy services to its customers, while conducting its operations in an environmentally responsible manner”?

- Because of limited infrastructure in Houston, the conversion program focused on vehicles with routes near existing CNG fueling stations, with expansions after the infrastructure is installed

Map of Houston CNG Stations



- There are 6 public CNG fueling stations in the Houston area*
- The Navigation and South Houston CNP service centers are located within ~3 miles of a fueling station
- The close proximities limit the productivity impact of fueling the vehicles and thus are the target of the fleet conversion project

*Additional CNG fueling station in Conroe, TX not shown

Current CNG Vehicles in CenterPoint's Fleet

State	Currently in Fleet	Ordered for 2013	Total Vehicles
Arkansas	9	-	9
Louisiana	13	1	14
Minnesota	13	10	23
Mississippi	1	-	1
Oklahoma	9	3	12
Texas	7	21	28

- CenterPoint Energy currently has 52 NGVs in its fleet, spread throughout its various jurisdictions, and has ordered 35 in 2013
- Conversion efforts are underway in all CNP gas states
- 50 of the current vehicles are bifuel, running on both CNG and gasoline; 3 Honda Civics in Minnesota are dedicated CNG vehicles
- There have been little to no operating issues

CNG Station Growth



State	Stations added in 2010	Stations added in 2011	Stations added in 2012	Stations* added in 2013	Potential** Stations in 2014	Total Projects Per State
Texas	4	6	4	7	9	30
Louisiana	1	3	-	2	2	8
Arkansas	-	2	-	4	3	9
Oklahoma	2	3	5	3	4	17
Minnesota	-	1	1	7	4	13
Mississippi				0	3	3
Total	7	15	10	23	25	80

Working closely with CNG station builders to provide gas service.

*2013 projects have been secured

**2014 projects are not secured