

to an electric utility company other than an affiliated electric utility at the purchaser's "avoided cost" determined under PURPA; (4) an EWG or a QF that sells electricity at rates based upon its costs of service, as approved by FERC or any state public utility commission having jurisdiction, provided that the purchaser of the electricity is not an affiliated public utility; or (5) a Rule 58 Subsidiary or any other Nonutility Subsidiary that (a) is partially owned, provided that the ultimate purchaser of goods or services is not a Utility Subsidiary, (b) is engaged solely in the business of developing, owning, operating and/or providing services or goods to Nonutility Companies described in (1) through (4) above or (c) does not derive, directly or indirectly, any part of its income from sources within the United States and is not a public-utility company operating within the United States.

B. Continuation of Interim Exemption

Under the Merger Order, FEFSG is authorized to provide maintenance and repair services to FirstEnergy's pre-merger Utility Subsidiaries (namely, Ohio Edison, Toledo Edison, Cleveland Electric, Penn Power, NONGC and ATSI) under certain At-Market Service Arrangements. The Merger Order granted an interim exemption under section 13(b) of the Act permitting FEFSG to provide such services at market rates determined without regard to cost. This interim exemption will expire on June 30, 2003. Applicants note that several of the longer-term At-Market Service Arrangements are still in place. FEFSG therefore requests that the Commission extend such interim exemption from June 30, 2003 to December 31, 2003, and reserve jurisdiction over any further extension after December 31, 2003.

CenterPoint Energy, Inc., et al. (70-10128)

CenterPoint Energy, Inc. ("CenterPoint"), a registered holding company and its three public-utility subsidiary companies Texas Genco, LP, ("Texas Genco"), CenterPoint Energy Houston Electric, LLC ("T&D Utility") and CenterPoint Energy Resources Corp. ("GasCo"), CenterPoint's intermediate holding companies, Utility Holding, LLC, 200 West Ninth Street Plaza, Suite 411, Wilmington, Delaware 19801, Texas Genco Holdings, Inc., Texas Genco GP, LLC and CenterPoint's nonutility subsidiary companies: CenterPoint Energy Funding Company, CenterPoint Energy Transition Bond Company, LLC, Houston Industries FinanceCo GP, LLC, Houston Industries

FinanceCo LP, Reliant Energy FinanceCo II GP, LLC, Reliant Energy FinanceCo II LP, Reliant Energy FinanceCo III GP, LLC, Reliant Energy FinanceCo III LP, Reliant Energy FinanceCo IV GP, LLC, Reliant Energy FinanceCo IV LP, CenterPoint Energy Investment Management, Inc., CenterPoint Energy Management Services, Inc., CenterPoint Energy District Cooling, LLC, CenterPoint Energy Thermal Systems (Delaware), Inc., CenterPoint Energy District Cooling, L.P., CenterPoint Energy Power Systems, Inc., CenterPoint Energy Products, Inc., CenterPoint Energy Properties, Inc., CenterPoint Energy Tegco, Inc., HL&P Capital Trust I, HL&P Capital Trust II, HL&P Receivables, Inc., Houston Industries Energy (UK), Inc., NorAm Energy Corp., REI Trust, Reliant Energy Water, Inc., Texas Genco LP, LLC, Utility Rail Services, Inc., UFI Services, Inc., ALG Gas Supply Company, Allied Materials Corporation, Arkansas Louisiana Finance Corporation, Arkla Industries Inc., Arkla Products Company, Blue Jay Gas Company, CenterPoint Energy Alternative Fuels, Inc., CenterPoint Energy Consumer Group, Inc., CenterPoint Energy Field Services, Inc., CenterPoint Energy Field Services Holdings, Inc., CenterPoint Energy Gas Processing, Inc., CenterPoint Energy Gas Marketing Company, CenterPoint Energy Gas Receivables, LLC, CenterPoint Energy Gas Resources Corp., CenterPoint Energy Gas Transmission Company, CenterPoint Energy Hub Services, Inc., CenterPoint Energy—Illinois Gas Transmission Company, CenterPoint Energy Intrastate Holdings, LLC, Pine Pipeline Acquisition Company, LLC, CenterPoint Energy Marketing, Inc., CenterPoint Energy Retail Interests, Inc., CenterPoint Energy—Mississippi River Transmission Corporation, CenterPoint Energy MRT Holdings, Inc., CenterPoint Energy MRT Services Company, CenterPoint Energy Pipeline Services, Inc., CenterPoint Energy OQ, LLC, OQ Partners, a general partnership, CenterPoint Energy Trading and Transportation Group, Inc., Entex Gas Marketing Company, Entex NGV, Inc., Entex Oil & Gas Company, Industrial Gas Supply Corporation, Intex, Inc., Louisiana Unit Gas Transmission Company, Minnesota Intrastate Pipeline Company, National Furnace Company, NorAm Financing, NorAm Utility Services, Inc., Reliant Energy Funds Management, Inc., Unit Gas Transmission Company, United Gas, Inc., CenterPoint Energy International, Inc., CenterPoint Energy International Holdings, LLC, Reliant

Energy El Salvador, S.A. de C.V., CenterPoint Energy International II, Inc., HIE Ford Heights, Inc., HIE Fulton, Inc., Reliant Energy India, Inc., Reliant Energy Rain, Inc., Rain Calcining Limited, CenterPoint Energy International Services, Inc., CenterPoint Energy Light, Inc., HI Energy Holdings I B.V., Reliant Energy Brasil, Ltda., Reliant Energy Brazil Ltd., HIE Brasil Rio Sul Ltda., Reliant Energy International Brasil Ltda., Reliant Energy Brazil Tiete Ltd., Reliant Energy Colombia Ltda., Reliant Energy Outsource Ltd., Venus Generation El Salvador Worldwide Electric Holdings B.V., c/o CenterPoint Energy, Inc., 1111 Louisiana, Houston, TX 77002 (together, "Applicants"), have filed an amended and restated application-declaration under sections 6(a), 7, 9(a), 10, 12 and 13 and rules 42, 43, 44, 45, 46, 52, 53, 54, 58, 62, 90 and 91 of the Act ("Application").³

Applicants request authority to engage in a variety of financing transactions, credit support arrangements, and other related proposals, as more fully described below, commencing on the effective date of an order issued under this filing and ending June 30, 2005 ("Authorization Period").

I. Background

By order dated July 5, 2002 (Holding Co. Act Release No. 27548) (the "July Order"), the Commission authorized the formation of CenterPoint as a new registered holding company and the distribution ("Distribution") to shareholders of the remaining stock of Reliant Resources, Inc. ("Reliant Resources"). The Distribution, which was made on September 30, 2002, completed the separation from CenterPoint of the merchant power generation and energy trading and marketing business of Reliant Resources.

While the Distribution was necessary and appropriate both from a business perspective and in view of the policies and provisions of the Act, it did have the effect of significantly reducing CenterPoint's common equity in the short term. As the Commission has noted, however, CenterPoint's capital

³ Texas Genco, LP, T&D Utility and GasCo shall collectively be referred to as the "Utility Subsidiaries." Utility Holding, LLC, Texas Genco Holdings, Inc. and Texas Genco GP, LLC, shall collectively be referred to as the "Intermediate Holding Companies." All of CenterPoint's direct and indirect subsidiaries, other than the Utility Subsidiaries and the Intermediate Holding Companies, are referred to as the "Nonutility Subsidiaries." The Utility Subsidiaries, Nonutility Subsidiaries and Intermediate Holding Companies are collectively referred to as the "Subsidiaries."