United States Senate

COMMITTEES:

COMMERCE, SCIENCE,
AND TRANSPORTATION

JUDICIARY

FOREIGN RELATIONS

RULES AND ADMINISTRATION

July 26, 2024

Mr. Jason P. Wells President and Chief Executive Officer CenterPoint Energy, Inc, 1111 Louisiana Street Houston, Texas 77002

Dear Mr. Wells:

Thank you for participating in the phone call with congressional leaders that my office organized. Texans, and Houstonians in particular, are no strangers to natural disasters and understand reasonable delays in repairing critical infrastructure. Texans are especially grateful to the linemen who worked day and night to restore power.

However, CenterPoint's response to Hurricane Beryl—a Category 1 hurricane that hit at the beginning of storm season—was a failure, and Texans deserve better from the largest utility company in the region.

Since Hurricane Beryl made landfall, I have traveled through Southeast Texas and met with hundreds of local, state, and federal officials charged with coordinating emergency response to ensure Texans receive the necessary resources. Texans are resilient, and communities throughout the state will rally behind those impacted to rebuild even stronger than before. I am confident that we will.

As we discussed on the call, my conversations with constituents—and your customers—made absolutely clear that CenterPoint's lack of transparency and communication threatened both lives and livelihoods. Texans were unable to receive direct information on when power would be restored to their neighborhoods, and lingering questions remain about whether CenterPoint is well-positioned to respond to possible future, stronger hurricanes.

I appreciated your candid admission on our July 12th call that CenterPoint must improve its operations. In addition to CenterPoint engaging the appropriate regulatory authorities in the State of Texas, I also appreciate your express commitment to provide a thorough after-action report to the Texas congressional delegation assessing the successes and failures of CenterPoint's response to Hurricane Beryl.

That after-action report should, among other things, address the following questions:

(1) What mistakes did CenterPoint make regarding Hurricane Beryl?

- (2) Did CenterPoint pre-position sufficient assets (linemen, equipment, etc.) to respond as quickly as needed to the power outages in Houston? How could CenterPoint have done better?
- (3) Would more linemen and equipment, pre-positioned, have made a material difference in response time?
- (4) Did CenterPoint rely on projections that the storm would hit further south than it did, and did that mistaken reliance cause CenterPoint to fail to plan sufficiently for a major Houston outage?
- (5) Our constituents have reported that other power companies who lost coverage did a far better job restoring power and communicating with customers than did CenterPoint. Why is that? What lessons can be learned?
- (6) On the call, you said repeatedly that CenterPoint failed to communicate with its customers. How, specifically? What can be done in the future to ensure clear and direct communication with customers to let them know when to expect power to be restored?
- (7) What facilities were prioritized in restoring power? Were hospitals? Nursing homes, hospices, and other places that house vulnerable populations? What was the order of prioritization?
- (8) What can be done to make the Houston energy infrastructure more resilient to storms? We live on the Gulf Coast. We know there will be future hurricanes. How can we avoid the life-threatening extended power outages that occurred with Hurricane Beryl?

All of us in the Texas delegation look forward to reviewing the company's detailed after-action report addressing the failures of the response to Hurricane Beryl.

Texans rely on CenterPoint to keep the lights on, and we hope and expect that Beryl will not be a prelude to CenterPoint's response to future storms impacting the State of Texas.

Sincerely,

Ted Cruz

United States Senator