

Final Project Report

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## **CenterPoint Energy Report**

### **Section 1. Financial and Operating Performance (2020-2024)**

Data source: <https://investors.centerpointenergy.com/sec-filings>

### **Section 2. Environmental Stewardship & Sustainability (2020-2023)**

Data source: [Data Center - CenterPoint Energy Sustainability](#)

### **Section 3. Social Responsibility and Sustainability Initiatives (2019–2022)**

Data source: <https://www.centerpointenergy.com/en-us/corporate/community>

#### **Financial and Operating Performance (2020-2024)**

This report includes the most recent five years (2020-2024) of financial and operating performance of CenterPoint Energy. CenterPoint's revenue growth has been driven by rate increases, customer growth and regulatory recoveries, and still partially offset by weather impacts and challenges. From this dashboard, we can see dividends accrued fluctuate significantly year over year, total long-term debt increases continuously and grew 4 times compared to 2020, operating income grows slightly and steadily year over year. Regarding assets, the company's form 10-k recently added the section of Property, plant and equipment since 2023.

#### **Dashboard Analytics:**

##### **1. Dividends Accrued by Year**

- Total dividends declared and paid to shareholders within the given fiscal year.

- 2020 – 136 million
- 2021 – 131 million
- 2022 – 144 million
- 2023 – 126 million
- 2024 – 143 million

## 2. Total current assets, total current liabilities, and total long-term debt net by Year

- Current assets (sum of cash and cash equivalents, investment in equity securities, accounts receivable, accrued unbilled revenues, natural gas and coal inventory, materials and supplies, taxes receivable, current assets held for sale, regulatory assets, prepaid expenses and other current assets)
- Current liabilities (sum of short-term borrowings, Current portion of VIE Securitization Bonds long-term debt, Indexed debt, net, Current portion of other long-term debt, Indexed debt securities derivative, Accounts payable, taxes accrued, interest accrued, dividends accrued, customer deposits, current liabilities held for sale, other current liabilities)
- Long-term debt, net (sum of VIE Securitization Bonds, net, other long-term debt, net)

	Total Current Assets	Total Current Liabilities	Total long-term debt, net
2020	\$43,768M	\$4,825M	\$11,521M
2021	\$39,715M	\$4,287M	\$15,558M
2022	\$38,546M	\$5,113M	\$14,836M
2023	\$37,679M	\$3,864M	\$17,239M
2024	\$33,471M	\$4,045M	\$20,089M

## 3. Utility revenues, total expenses, and operating income by year

- Utility revenues: electricity and natural gas distribution

- Total expenses: utility natural gas, fuel and purchased power, non-utility cost of revenues, including natural gas, operation and maintenance, depreciation and amortization, taxes other than income tax.
- Operating income: total revenue – total expenses

	Utility revenues	Total expenses	Operating income
2020	\$7,049M	\$6,194M	\$1,039M
2021	\$8,042M	\$6,989M	\$1,363M
2022	\$9,018M	\$7,755M	\$1,566M
2023	\$8,524M	\$6,936M	\$1,760M
2024	\$8,598M	\$6,653M	\$1,990M

#### 4. Assets Analysis by year.

- Total current assets: cash and cash equivalents, investment in equity securities, accounts receivable, accrued unbilled revenues, natural gas and coal inventory, materials and supplies, taxes receivable, current assets held for sale, regulatory assets, prepaid expenses and other current assets.
- Total other assets: goodwill, regulatory assets, other non-current assets
- Property, plant, and equipment, net

	Total current assets	Total other assets	Property, plant and equipment, net
2020	\$43,768M	\$2,920M	N/A
2021	\$39,715M	\$7,355M	N/A
2022	\$38,546M	\$4,699M	N/A

2023	\$37,679M	\$3,027M	\$40,396M
2024	\$33,471M	\$4,381M	\$42,667M

## **Environmental Stewardship & Sustainability (2020-2023)**

### **1.Summary of Executives**

During 2020 to 2023 CenterPoint Energy initiated an important environmental initiative to reinforce its dedication towards sustainable energy principles. During these vital four years we achieved substantial advancements in environmental protection while changing our energy mix and implementing innovative strategies to handle climate problems.

**The Environmental Stewardship & Sustainability includes the following main attractions:**

- The efforts resulted in a 26% decrease of total emissions when compared to peak emissions amounts.
- Reduced coal power capacity from 1,000 megawatts to 510 megawatts.
- Recycling system operated at 71-84% constant efficiency levels.
- Implemented adaptive water conservation strategies

### **1. Emissions Breakdown (2020–2023)**

Since its maximum in 2021 the three primary emission sources of Electric Generation Fleet Emissions and Natural Gas Operations have experienced a downward trend. The diminishing emission figures show the company directs itself towards cleaner forms of energy.

- The company reached its highest emission level of 6 million metric tons in 2021.
- Operational efficiency together with cleaner technologies improves the emission levels which 2023 reveals.
- The corporate goal of achieving Net Zero by 2035 receives support from this advancement.

### **2. Water Consumption and Source Allocation**

Water resource management at CenterPoint follows responsible practices through usage of groundwater while sustaining most water intake from beneath the surface.

- Groundwater: 97.1% of total consumption
- Surface Water: Minimal use (2.18%)
- The data indicates that the company must search for sustainable water supply methods to create alternate water sources for future consumption needs.

### **3. Waste Generation & Recycling Performance**

The company maintains successful waste recycling operations while achieving control over its total waste production during the span of four years.

- 2023: Highest recorded waste generation (~0.62M units)
- The company manages solid diversion methods by maintaining recycling rates that fluctuate between 70 and 80 percent.
- The organization demonstrates an established recycling culture yet additional efforts should focus on waste reduction before the recycling stage.

### **4. Green Investment Trends**

The ongoing sustainability dedication of the company is reflected in its investments toward energy efficiency.

- Investment Jump: From ~\$48M (2020) to ~\$70M (2021)
- Stability: Investments remained above \$60M through 2023
- The Sustainable Financing Framework of Hovering between 70–80% supports decarbonization efforts and enhances community resilience objectives.

### **Sustainability Commitment**

At CenterPoint Energy, They are dedicated to enabling a cleaner, more sustainable tomorrow. That includes:

- Decreasing our environmental impact in every way that we can.
- Investment in technologies facilitating sustained sustainability.
- Being open and honest about how They are doing and They are headed
- It's not about numbers—it's about trust, trustworthiness in our communities, and building lasting value for our customers and their families.

### **Recommendations for Future Focus**

To keep making progress, here's where we believe the next steps should be:

- Stay focused on reducing emissions. A lot has been accomplished already, and now the aim is to keep the momentum going.
- Save water. We can obtain more from less by investing in more effective water-conserving technologies.
- Rethink the way we deal with garbage. Recycling is not the problem—it's reducing waste in the first place.
- Keep moving forward with green investments. They're not just costs, but they're smart choices that give returns to the environment as well as to our company.

### **Conclusion:**

At CenterPoint Energy, sustainability is more than a corporate strategy it's promise to the communities they serve, the environment they protect, and the generations they inspire.

From 2020 to 2023, they have transformed challenges into opportunities, demonstrating that responsible energy delivery and environmental stewardship can go hand in hand. Their metrics tell a story of continuous improvement, innovation, and unwavering commitment.

## **Social Responsibility and Sustainability Initiatives (2019–2022)**

### **1. Executive Summary**

CenterPoint Energy has demonstrated a strong and growing commitment to social responsibility. From 2019 to 2022, the company significantly increased its total community investments, focusing heavily on education, community development, health services, and employee engagement through volunteerism. Their sustainability efforts align with their corporate mission to provide cleaner, safer, and more reliable energy while actively supporting community welfare.

### **2. Dashboard and Data Overview**

The Social Responsibility Dashboard visualizes CenterPoint's investments across key categories, showcasing trends in community support initiatives, STEM engagement, and employee volunteerism.

## Key Metrics:

- **Total Community Investment:** Increased from ~\$12M in 2019 to ~\$15M in 2022.
- **Top Investment Categories:**
  - **Education – K–12** (56.39%)
  - **Higher Education** (20.89%)
  - **Community & Economic Development** (20.89%)
  - **Health & Social Services** (1.84%)
- **STEM Engagement:**
  - Highest focus on "Students Engaged" with notable, smaller investments in STEM Kits and STEM Devices.
- **Employee Participation:**
  - 86,000 volunteer hours (72.99%)
  - 32,000 employees involved (27.01%)

## 3. Key Insights and Detailed Analysis

### 3.1 Community Investment Trends

The dashboard shows a **steady upward trajectory** in community investments, reflecting CenterPoint's strategic focus on sustainability and community support.

The **\$14.8 million** Foundation contribution in 2022, highlighted in the Corporate Sustainability Report, confirms their targeted giving in **Community Vitality** and **Education**.

### 3.2 Focus on Education

A significant portion of investments went into **K–12 education initiatives**, aligning with CenterPoint's broader goal of fostering future-ready communities through education.

This strategy supports their **STEM engagement focus**, where:

- **Students Engaged** received the most attention.
- STEM Kits and Devices were part of CenterPoint's drive to promote STEM fields among young learners.

### 3.3 Employee Engagement and Volunteerism

The dashboard indicates remarkable employee involvement, further validated by the report:

- Employees logged **86,000 volunteer hours** in 2022.
- Key volunteer initiatives include habitat restoration, local education support, and disaster recovery .
- CenterPoint runs **Affinity and Employee Resource Groups (ERGs)** to encourage diversity, inclusion, and community volunteer efforts .

### 3.4 Strategic Giving and Targeted Areas

CenterPoint's giving pillars are:

- **Community Vitality**
- **Education**
- **Health and Social Services**

The strategic giving focus areas are aligned with the **GRI material topics** identified through stakeholder engagement:

- Education access
- Social equity
- Workforce development
- Environmental responsibility

### 3.5 Diversity, Equity, and Inclusion (DEI)

- The company emphasizes DEI through strategic recruiting from Historically Black Colleges and Universities (HBCUs) and Hispanic Serving Institutions .
- CenterPoint's internal surveys and ERGs work toward building a more inclusive work culture.



## Broader Sustainability Goals

CenterPoint's **Sustainability Strategy** directly integrates social responsibility:

- **Net Zero by 2035:** Community investments complement their environmental goals by fostering resilience and equitable growth.
- **Carbon Reduction:** Investments in education and community infrastructure help build awareness and action toward carbon footprint reduction .
- **Sustainable Financing Framework:** Funding initiatives support green projects and socially beneficial programs.

## Recommendations for Future Focus

- **Enhance Health and Social Services Funding:** Currently at 1.84% — scaling this could further strengthen CenterPoint's social resilience and community wellness impact.
- **Expand STEM Infrastructure:** Increase investments in STEM Kits and Devices distribution to meet growing demand for tech-educated workforces.
- **Regional Diversification:** Broaden community engagement beyond main service areas (Texas, Indiana, etc.) for more national impact.
- **Enhanced Employee Programs:** Offer more leadership development opportunities linked to volunteer initiatives.

## Conclusion

CenterPoint Energy's social responsibility efforts have grown significantly from 2019 to 2022, with clear strategic alignment to their corporate sustainability goals. By investing heavily in education, supporting community development, and leveraging employee engagement, CenterPoint positions itself as a leader in sustainable business practices while contributing meaningfully to society.

Continued commitment and expansion, particularly into underfunded areas like health services and technology infrastructure, can further enhance their positive impact.