

Seabrook Substation Ad Hoc Committee Questions & Answers

1. How can the city and residents obtain a copy of a report of all locations considered for this project, and why those other sites were rejected in favor of the Red Oak Acres site?

In evaluating sites for a substation, the Company considers factors such as:

- The proximity to the Company's existing transmission and distribution facilities.
- Local and regional load growth.
- The amount of land available for the substation.
- Pre-existing use of land and environmental constraints; and
- The feasibility of cost that could impact rate payers.

For the Seabrook Substation, the Company evaluated nine sites. The following picture generally depicts eight of the nine sites that were evaluated for the Seabrook Substation.



The ninth site evaluated by the Company is located northwest of Sites 1 and 2 and is owned by the Armand Bayou Nature Center, one of the largest urban wilderness preserves in the United States.

Many of the sites evaluated by the Company were removed from consideration because of environmental constraints, the presence of wetlands, current and ongoing oil and gas operations, an insufficient amount of land, or the potential cost that would be passed on to rate payers.

Based on the previously mentioned factors, the Company has determined that Sites 1 and 2 are the best sites for the Seabrook Substation. Sites 1 and 2 are readily accessible because they are adjacent to the intersection of Red Bluff Road and State Highway 146, the former of which has been designated by Seabrook as a principal arterial thoroughfare. Sites 1 and 2 encompass the existing transmission and distribution electrical circuits supplying energy to the region. Sites 1 and 2 are the best sites for purposes of interconnecting the Seabrook Substation because of the Company's pre-existing transmission and distribution facilities as they are adjacent to the encompassed Sites 1 and 2. The Company's predecessor-in-interest purchased Sites 1 and 2 in 1960, as part of comprehensive, long-term planning for the region.

2. Why was a land swap, or purchase, agreement unable to be reached with Harris County, especially considering Harris County's willingness to coordinate such a move?

The only site discussed with Harris County, as requested by State Representative Dennis Paul as a potential land swap option, was the Armand Bayou Nature Center land North of the substation site. The land north of and adjacent to Site 1 and 2 considered as a possible land swap is part of Armand Bayou Nature Preserve and

was deeded to Harris County for the explicit purpose of conserving the property in its natural state. To change the use or “take” protected land, CenterPoint Energy would be required to meet the threshold requirements of Chapter 26 of the Texas Parks and Wildlife Code.

Chapter 26:

- 1) there is no feasible and prudent alternative to the use or taking of such land; and
- 2) the program or project includes all reasonable planning to minimize harm to the land, as a park, recreation area, scientific area, wildlife refuge, or historic site, resulting from the use or taking.

3. There is a substation along Hwy 146, southbound feeder, just north of the Geon plant. Does CenterPoint Energy own this site? If so, why can it not be expanded to service the power requirements in the area?

The substation that appears to be directly north of and adjacent to the GEON Performance Solution (GPS) facility is a substation owned, operated, and maintained by GPS for the sole purpose of facility electrification. The substation is served with transmission level voltage by CenterPoint Energy. Such customer owned and operated substations cannot be utilized to serve the public.

4. What percentage of power distributed from this proposed substation will be used to service the following, but not limited to, areas: Seabrook, Kemah, Pasadena, La Porte, Deer Park, Shoreacres, Port Houston, unincorporated areas of Galveston County, etc?

Substations are sited and substation circuitry engineered to function as a system, or web, allowing for connectivity between substations and circuitry as required to deliver electrical distribution level service to an overall region. The Seabrook substation is a necessary addition to the overall regional electrical grid and will provide enhanced electrical load growth serviceability, electrical grid resiliency improvements, and redundancy of electrical service abilities for Seabrook and the surrounding areas.

5. Why does CenterPoint Energy not have to provide a CCN?

In accordance with PUC Rule §25.101, a Certificate of Convenience & Necessity (CCN) is not required for the construction of a new substation.

6. How can residents obtain from CenterPoint Energy a list of substations that were built within an existing, developed neighborhood in the greater Houston/Galveston area?

CenterPoint Energy will not provide a comprehensive list of substations due to our critical infrastructure obligations.

7. How can the city and residents obtain an ongoing maintenance schedule relating to the barrier wall?

CenterPoint Energy does not have a routine maintenance schedule for barrier walls. Walls are visually inspected and maintained as needed.

8. Will the wall be constructed along the shared property line with 2521 Loganberry Circle?

The wall will be constructed on CenterPoint Energy property adjacent to 2521 Loganberry Circle.

9. What options are available to recess the wall back from the city drainage right-of-way to leave room for planting trees and vegetation along the wall's outside?

An evaluation of planting trees post construction is an option. Ability to do so should be determined after construction completion.

10. How can the residents be involved with the selection of vegetation to be replanted once the wall and substation are constructed?

Any vegetation that might be considered should be evaluated and determined after construction completion.

11. What can the homeowners expect as an agreement between the City and CenterPoint Energy to bind all mitigation elements and any ongoing maintenance?

Please reference the City of Seabrook franchise agreement with CenterPoint Energy.

12. The submitted drainage plan appears to show 90% of trees being removed with the addition of the detention pond. Can a tree overlay of the survey give a clear answer on the number of salvaged and surveyed trees?

CenterPoint Energy has a layout with a survey of existing trees for the selected option. The layout depicts trees that will be removed and those that will be salvaged.

13. Can CenterPoint Energy confirm the depth of the detention pond of 12.5' at the deepest point? What is the overall static water depth?

Per plans submitted to the City of Seabrook, the detention pond will be a depth of 12.5' at the deepest point. Overall static water depth will be 7.75'.

14. How can CenterPoint Energy confirm that subsequent flooding risk from this proposed construction was evaluated during drainage surveys and modeling?

CenterPoint Energy builds new or upgraded substation facilities for flood conditions utilizing 100-year and 500-year flood plain maps (FEMA, County, City, etc.), Category 5 storm surge maps (NOAA), historically experienced flood conditions, and contracted flood and storm surge studies.

15. Will CenterPoint acknowledge responsibility for potential flooding caused by construction of this substation?

CenterPoint Energy's site engineered plans go through an in-depth flood mitigation analysis as part of the engineering due diligence. Factors considered in the storm mitigation plan are listed in the answer to question #14. In addition, the final set of plans will adhere to City of Seabrook's stormwater requirements and will be reviewed and approved by City Engineer.

16. How can residents obtain a copy of the drainage, flood control and project construction plans?

Residents should be able to obtain a copy of the civil construction drawings upon request from the City of Seabrook after permitted. The civil construction drawings include drainage area map with calculations.

17. Why was the decision made to move the pond farther north when it appears that just as many trees will need to be cut to dig the pond at the north end vs. immediately adjacent to the substation?

CenterPoint Energy reviewed multiple layout options with the City of Seabrook. It was agreed that the layout with the detention pond at the north end would likely result in fewer tree removals, as the north side of the property has many trees cleared now in the detention pond area. CenterPoint Energy has a layout with a survey of existing trees for the selected option. The layout depicts trees that will be removed and those that will be salvaged.

18. What is CenterPoint Energy's public process to report and respond to terroristic threats (phone number, text, email) and guaranteed response time?

As always, protecting the nation's energy grid and delivering energy safely and reliably are the top priorities for the electric power industry. CenterPoint Energy uses a comprehensive approach to protect grid assets; including compliance with reliability regulations; close coordination among industry and governmental partners at all levels; robust security procedures and protections; and plans to prepare, respond, and recover should an incident impact the grid.

Safety is CenterPoint Energy's top priority. If a suspicious activity is witnessed around electrical infrastructure, it is crucial to report it to the local authorities and CenterPoint Energy.

19. How is the communication link that monitors the substation parameters kept safe from malicious interruption?

CenterPoint Energy will not provide such information due to our critical infrastructure obligations.

20. What type of fire suppression systems are installed at this site? What is the worst-case scenario of a fire at this site? What is the expected response time by CenterPoint emergency services in the event of a fire?

Firewalls will be installed between power transformers to prevent the spreading of fire during a transformer failure. A transformer failure is the worst-case scenario of fire at this site. During a fire emergency, CenterPoint Energy substation operations personnel will be immediately dispatched to the site to work with emergency services, such as police and fire departments, to safely de-energize substation facility, secure its perimeter, and protect the general public.

21. How can residents obtain a copy of the soil and environmental impact studies undertaken to date, and any future studies on the due diligence for this site?

Environmental due diligence reports are internal compliance documents and are not shared.

22. Will CenterPoint agree in writing with the City and homeowners that a luminary study before and after construction will be done and shared with the City and homeowners?

A lighting evaluation will be performed before start of construction and after construction completion. Illumination measurements are planned at locations where driveways intersect Loganberry Circle. Addresses of measurement are planned to be odd and even numbered properties including and between 2506 and 2569 Loganberry Circle.

23. Will CenterPoint confirm the site plan elevations for ground elevation and where the internal luminaries will rest in relation to over/under the wall elevation?

Per the plan set submitted to the city, the average ground elevation at this site is 12ft above sea level. The proposed wall will be 14ft above ground elevation, setting its top elevation around 26ft above sea level. In addition, the average final pad elevation of substation is 13.5ft above sea level. Substation floodlights will be set 11ft above pad elevation at around 24.5ft above sea level, effectively placing them below the wall height.

24. How will CenterPoint produce the documentation showing that 0% property devaluation occurred after construction of a substation in other noted subdivision/residential areas? What specific studies is CenterPoint referencing?

There are many variables that account for property value increases and decreases over time. Influences on property value include the overall economy and interest rates, local impacts from development, and specific

improvements or decline of individual properties. CenterPoint Energy does not share internal valuation methodology or other data related to land transactions, except that which is filed of record.

25. If provided with validating documentation, how does CenterPoint plan to compensate nearby property owners for loss in property value?

Please reference answer to questions #24.

26. Will CenterPoint provide a rendering of the elevation of the substation at ground elevation to give homeowners a true site visualization of what they will see from their front yards as to equipment extending above the barrier wall line and in distance of direct view?

CenterPoint Energy previously provided renderings of the substation site with the barrier wall as well as actual pictures of other substation sites with similar barrier walls. As is the case with any rendering, actual site conditions will vary. The rendering was not and is not a guarantee of actual site conditions upon final construction.

27. What is the elevation of the substation pad site?

Per plans submitted to the City of Seabrook, the finished grade of the substation pad ranges from 12.80' – 14.10' above sea level.

28. What is the finished ground elevation of the substation measured above mean sea level?

Per plans submitted to the City of Seabrook, the finished grade of the substation pad ranges from 12.80' – 14.10' above sea level.

29. Will CenterPoint commit to ongoing work with Geon for noise studies before and after the construction? If after tree removal and wall construction the city's decibel limits or other safe noise levels are exceeded, will CenterPoint commit to ongoing mitigation efforts and financial commitment with Geon for noise pollution reduction?

CenterPoint Energy is not engaged in noise studies with GEON Performance Solutions.

30. Will CenterPoint produce the decibel readings at other substation sites in similar locations to the Seabrook site from a home for homeowners to understand new potential levels that could be produced with this type of equipment?

The substation transformer decibel readings will be below the National Electrical Manufacturers Association TR-1 industry standard for sound levels. CenterPoint Energy substation transformer specifications require sound levels at least 6dB below the standard. The site is also oriented such that the transformers are located as far East as possible. Additionally, the transformer distance from the property line and the 14' concrete wall will also mitigate substation noise.

31. How can residents obtain a copy of the initial and ongoing updated construction timeline with specific phases for the residents to understand the process and expectations?

The estimated construction schedule is:

- Site Clearing/Tree removal – 2nd quarter year 2023
- Site work start (fencing, grading, detention pond) - 2nd quarter year 2023
- Substation construction start – 4th quarter year 2023
- Substation energization – 2nd quarter year 2024

32. Will CenterPoint commit to the barrier wall being constructed around the perimeter prior to any other phase starting?

Site grading and preparation is required prior to concrete wall installation. However, the portion of the perimeter wall along Loganberry Circle can be constructed prior to substation *facility* construction. North and east perimeters of the site will have security fencing installed, not concrete walls.

33. What is the rationale for the current submitted layout plans and equipment location for this project?

Seabrook substation equipment layout will be engineered as a standard low profile distribution substation. By contrast, the overall site layout has been reduced in size to minimize disturbing existing site and removing trees.

34. Will CenterPoint provide the City and residents a copy of the deed to the lots owned by CenterPoint, showing ownership back to 1960?

CenterPoint has provided a copy of the deeds to the City of Seabrook. A copy of the deeds can be found within the real property records on the Harris County Clerk's website.

35. Will CenterPoint enter into a binding agreement with the City stating no future construction or additions will take place at this site?

CenterPoint Energy will maintain ownership of the property so long as it is used and useful for its current or long-range plans.

36. Will CenterPoint acknowledge and guarantee that a binding agreement will be approved by and between CenterPoint and the City for all mitigation, future potential mitigation, and maintenance and security measures? This agreement would guarantee the City's and CenterPoint's responsibilities in each are.

Please reference the City of Seabrook franchise agreement with CenterPoint Energy.