



Control Number: 26195



Item Number: 493

Addendum StartPage: 0

SOAH DOCKET NO. 473-02-3473

PUC DOCKET NO. 26195

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PUBLIC UTILITY COMMISSION
FILING CLERK

JOINT APPLICATION OF TEXAS §
GENCO, LP AND CENTERPOINT §
ENERGY HOUSTON ELECTRIC, LLC §
TO RECONCILE ELIGIBLE FUEL §
REVENUES AND EXPENSES §
PURSUANT TO SUBST. R. 25.236 §

BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

SUPPLEMENTAL

DIRECT TESTIMONY AND EXHIBITS

OF

JAMES W. DANIEL

ON BEHALF OF

THE CITY OF HOUSTON

November 5, 2003

SOAH DOCKET NO. 473-02-3473

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JOINT APPLICATION OF TEXAS	§	BEFORE THE STATE OFFICE
GENCO, LP AND CENTERPOINT	§	
ENERGY HOUSTON ELECTRIC, LLC	§	OF
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REVENUES AND EXPENSES	§	ADMINISTRATIVE HEARINGS
PURSUANT TO SUBST. R. 25.236	§	

November 5, 2003

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JOINT APPLICATION OF TEXAS	§	BEFORE THE STATE OFFICE
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SUPPLEMENTAL
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OF
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ON BEHALF OF
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November 5, 2003

**SUPPLEMENTAL DIRECT TESTIMONY AND EXHIBITS
OF
JAMES W. DANIEL**

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EXHIBIT JWD-1 Affidavit of Alton J. Hall, Jr.
EXHIBIT JWD-2 Other Firms Hourly Rates

1
2 **SUPPLEMENTAL DIRECT TESTIMONY OF JAMES W. DANIEL**

3
4 **I. PROFESSIONAL TRAINING AND EXPERIENCE**

5
6 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

7 A. My name is James W. Daniel. My business address is 919 Congress Avenue, Suite
8 800, Austin, Texas 78701.
9

10 **Q. ARE YOU THE SAME JAMES W. DANIEL THAT PREVIOUSLY FILED**
11 **TESTIMONY IN THIS PROCEEDING?**

12 A. Yes. Information regarding my professional training and experience was provided in
13 my testimony previously filed in this proceeding.
14
15

16 **II. INTRODUCTION**

17
18 **Q. BY WHOM ARE YOU RETAINED IN THIS PROCEEDING?**

19 A. I have been retained by the City of Houston, Texas ("COH").
20

21 **Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL DIRECT**
22 **TESTIMONY?**

23 A. The purpose of my supplemental direct testimony is to review and support the
24 reasonableness of the COH's request for additional rate case expenses over the
25 amounts already approved in the Interim Order in this proceeding.
26
27

1 **III. REASONABLENESS OF COH's RATE CASE EXPENSES**

2

3 **Q. HAVE YOU PREVIOUSLY TESTIFIED REGARDING THE**
4 **REASONABLENESS OF CITY RATE CASE EXPENSES?**

5 A. Yes. I have testified on the reasonableness of rate case expenses on several occasions.

6

7 **Q. WOULD YOU BRIEFLY DESCRIBE THE COH'S REQUEST FOR**
8 **REIMBURSEMENT OF THEIR RATE CASE EXPENSES?**

9 A. Yes. Under PURA, cities maintain original jurisdiction over the electric rates for
10 service within their respective city limits. In performing their regulatory
11 responsibilities, cities retain attorneys and experts to provide advice and support.
12 Section 33.023 of PURA allows cities to be reimbursed for such reasonable expenses
13 incurred in processing rate cases.

14 The majority of the COH's rate case expenses in this proceeding were already
15 approved in the Administrative Law Judge's ("ALJ") Interim Order. The current
16 request for reimbursement of rate case expenses is to recover the amounts that have
17 been incurred since the Interim Order plus estimated expenses for the remainder of
18 this proceeding, including appeals. These expenses are primarily related to the
19 remaining issues that have not been settled.

1 **Q. WOULD YOU PLEASE SUMMARIZE THE RESULTS OF YOUR REVIEW**
2 **AND ANALYSIS OF THE RATE CASE EXPENSES INCURRED BY THE**
3 **COH?**

4 A. Yes. Since the Interim Order, the COH has incurred additional rate case expenses of
5 \$21,470 in Docket No. 26195. I have also determined that the COH can expect to
6 incur approximately an additional \$70,000 in rate case expenses in order to see this
7 case to completion, including participation in any court appeals. Based upon my
8 review, I have determined that these expenses are reasonable and should be
9 reimbursed to the cities.

10

11 **Q. WOULD YOU PLEASE IDENTIFY THE FIRMS RETAINED BY THE COH**
12 **FOR PROVIDING ASSISTANCE IN CARRYING OUT THEIR**
13 **REGULATORY RESPONSIBILITIES?**

14 A. Yes. The COH retained the firm of Epstein, Becker, Green, Wickliff, and Hall
15 ("EBGW&H"). EBGW&H, a law firm that has experienced attorneys in utility
16 regulation and administrative law, was retained for legal representation. GDS
17 Associates, which I previously described in my direct testimony, was retained to
18 provide technical assistance and expert testimony.

19

20 **Q. HAS THE COH PREVIOUSLY USED THESE FIRMS FOR RATE CASES**
21 **INVOLVING RELIANT?**

1 A. Yes. Both EBGW&H and GDS have represented the COH, and in some instances
2 other cities, in all Reliant, and HL&P rate cases and fuel cases since 1990. In
3 addition, these two firms represented the COH in Reliant's transition case, Docket
4 No. 18465; presented testimony in Reliant's Business Separation Plan ("BSP") case,
5 Docket No. 21956; intervened and presented testimony in Reliant's Unbundled Cost
6 of Service ("UCOS") case, Docket No. 22355; and filed comments and presented
7 testimony in the Commission's generic rate issue proceeding, Docket No. 22344.
8

9 **Q. PLEASE EXPLAIN THE BASIS FOR THE CITY'S SELECTION OF FIRMS**
10 **TO PROVIDE LEGAL AND CONSULTING SERVICES.**

11 A. The City's selection of firms was based on prior experience with those firms and on
12 those firms knowledge of CenterPoint and Texas Genco. Maintaining continuity and
13 leveraging prior knowledge also helps to contain costs. Further, both GDS and
14 EBGW&H have extensive experience in representing other municipalities in a variety
15 of matters.
16

17 **Q. PLEASE SUMMARIZE THE SERVICES PROVIDED BY THE FIRMS**
18 **RETAINED BY COH DOCKET 26195?**

19 A. EBGW&H and GDS assisted the COH in their evaluation of all issues in Docket No.
20 26195.

1 EBGW&H has advised the City on legal issues and services necessary to
2 represent the City's' interests in the this docket. These services include the review of
3 CenterPoint's filings, preparation of various pleadings and motions, preparation of
4 discovery requests and responses, assistance with discovery disputes, preparation of
5 comments and briefs, attendance at pre-hearing conferences and technical
6 conferences, participation at hearings and the cross-examination of adverse witnesses,
7 and assistance with settlement negotiations and case strategy.

8 GDS has provided technical assistance to the City and provided overall
9 guidance on identifying, analyzing and presenting non-legal issues and adjustments in
10 this docket. Services included the review and analysis of CenterPoint's application,
11 preparation of requests for information ("RFIs"), attendance at technical conferences,
12 assistance with settlement negotiations, preparation of direct testimony, providing
13 expert testimony at hearings and assistance with drafting comments and other filings
14 on behalf of the COH.

15
16 **Q. PLEASE IDENTIFY THE ADDITIONAL AMOUNT OF RATE CASE**
17 **EXPENSES INCURRED BY THE COH SINCE THE INTERIM ORDER AND**
18 **THROUGH SEPTEMBER 2003 FOR DOCKET NO. 26195.**

19 A. The additional rate case expenses incurred by the COH through September 2003 on
20 the issues not subject to the Stipulation and Settlement Agreement (the "Reserved
21 Issues") are summarized in the following table:

1

FIRM	FEEs	EXPENSES	TOTAL
GDS	\$8,562	\$211	\$8,773
EBGW&H	\$12,024	\$674	\$12,697
TOTAL	\$20,586	\$884	\$21,470

2

3

4 **Q. HAVE YOU ESTIMATED THE ADDITIONAL RATE CASE EXPENSES THE**
5 **COH WILL INCUR BEYOND SEPTEMBER 2003?**

6 **A.** Yes. Additional services expected to be provided in this case include, but are not
7 limited to, the following:

- 8 • Preparation for hearing, including preparation for cross examination,
9 compilation of hearing exhibits, review of rebuttal testimony, and
10 preparation of prehearing motions and responses,
11 • Presentation of witnesses at Docket No. 26195 hearing,
12 • Preparation of Initial and Reply Briefs,
13 • Preparation of Exceptions and Replies to Exceptions,
14 • Attendance at Open Meetings and Prehearing Conferences,
15 • Settlement negotiations,
16 • Analysis of compliance filings, and
17 • Assistance with any appeals.

1 While it is difficult to anticipate all services that may be needed to see this case to
2 completion, my current estimated additional rate case expenses are presented in the
3 following table:
4

FIRM	ESTIMATED ADDITIONAL RATE CASE EXPENSES
GDS	\$20,000
EBGW&H	\$50,000
TOTAL	\$70,000

5
6
7 **Q. BASED ON THESE ESTIMATES, WHAT IS THE COH'S ADDITIONAL**
8 **REQUEST FOR REIMBURSEMENT OF RATE CASE EXPENSES?**

9 A. The additional amount requested for the Reserved Issues portion of this proceeding
10 including actual expenses incurred through September 2003 plus estimated additional
11 rate case expenses is approximately \$91,470.
12

13 **Q. IF THE COH DOES NOT INCUR THE ADDITIONAL ESTIMATED RATE**
14 **CASE EXPENSES OR INCUR MORE THAN THE ESTIMATED EXPENSE**
15 **AMOUNT, HOW SHOULD THAT DIFFERENCE BE TREATED?**

16 A. The COH is only requesting to be reimbursed for expenses actually incurred. If the
17 additional estimated expense amount is not incurred, then the COH will only be

1 reimbursed for the lower amount actually incurred. Similarly, if the estimated
2 expense amount is too low, the COH should be reimbursed for the higher amount.
3

4 **Q. ARE THE HOURLY RATES CHARGED BY THE FIRMS RETAINED BY**
5 **THE COH REASONABLE AND COMPARABLE TO THE FEES CHARGED**
6 **BY OTHER LAW AND CONSULTING FIRMS?**

7 A. Yes. The hourly rates charged were the normal billing rates charged by GDS. As
8 reflected in the affidavit of Alton J. Hall, Jr., attached as Supplemental Exhibit JWD-
9 1, EBGW&H's rates were in some instances discounted from normal billing rates.
10 These rates are comparable and in many cases lower than the hourly rates charged by
11 other regulatory lawyers and consultants with similar experience. This opinion is
12 based on experience in numerous rate cases, a review of legal and consulting fees
13 charged in other Texas PUC proceedings, and the affidavit of Alton J. Hall, Jr.,
14 attached as Supplemental Exhibit JWD-1. A schedule summarizing the hourly rates
15 charged by other firms is provided as Exhibit JWD-2.
16

17 **Q. DID ANY MEMBER OF THE FIRMS USED BY THE COH BILL IN EXCESS**
18 **OF 12 OR MORE HOURS IN ONE DAY?**

19 A. No.
20

1 **Q. HAS THE COH BEEN CHARGED FOR MEAL EXPENSES IN EXCESS OF**
2 **\$25 PER PERSON?**

3 A. No.

4
5 **Q. DID ANY MEMBER OF THE FIRMS USE NON-COMMERCIAL AIRCRAFT**
6 **OR FIRST CLASS AIR TRAVEL?**

7 A. No.

8
9 **Q. DO THE FIRMS' RATE CASE EXPENSES INCLUDE ANY LUXURY ITEMS**
10 **SUCH AS LIMOUSINE SERVICE, SPORTING EVENTS, ALCOHOLIC**
11 **DRINKS, HOTEL MOVIES OR OTHER ENTERTAINMENT?**

12 A. No.

13
14 **Q. HAVE THE FIRMS' FEES AND EXPENSES CHARGED TO THE COH**
15 **BEEN PROPERLY SUPPORTED?**

16 A. Yes. The monthly invoices to the COH are accompanied by a description of the
17 services provided, the number of hours by individual, the hourly rate, and an
18 itemization of expenses. Copies of all invoices to the COH are voluminous and will
19 be made available for review.

20

1 **VII. SUMMARY AND CONCLUSIONS**

2

3 **Q. WOULD YOU PLEASE SUMMARIZE YOUR FINDINGS AND**
4 **CONCLUSIONS REGARDING THE COH'S ADDITIONAL RATE CASE**
5 **EXPENSES?**

6 **A. Yes. Based upon my review and analysis, I have concluded that the COH's requested**
7 reimbursement of additional rate case expenses of \$91,470 in Docket No. 26195 is
8 reasonable and necessary and should be approved.

9

10

11

12

13

14

15

AFFIDAVIT

THE STATE OF TEXAS §

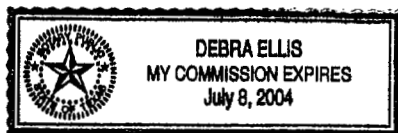
COUNTY OF TRAVIS §


BEFORE ME, the undersigned notary public, this day personally appeared JAMES W. DANIEL, to me known, who being duly sworn according to law, deposes and says:

“My name is JAMES W. DANIEL. I am of legal age and a resident of the State of Texas and am competent to make this affidavit. I certify that the foregoing testimony and exhibits, offered by me on behalf of the City of Houston, are true and correct based upon my personal knowledge and professional experience.”


JAMES W. DANIEL

SUBSCRIBED AND SWORN TO BEFORE ME, notary public, on this the 5th day of November, 2003.




Notary Public in and for the State of Texas

My Commission expires: July 8, 2004

EXHIBIT JWD-1

Affidavit of Alton J. Hall, Jr.

SOAH NO. 473-02-3473
P.U.C. DOCKET NO. 26195

JOINT APPLICATION OF TEXAS	§	BEFORE THE STATE OFFICE
GENCO, LP AND CENTERPOINT	§	OF
ENERGY HOUSTON ELECTRIC, LLC	§	ADMINISTRATIVE HEARINGS
TO RECONCILE FUEL REVENUES	§	
AND EXPENSES PURSUANT TO	§	
SUBST. R. 25.236	§	

AFFIDAVIT OF ALTON J. HALL, JR.

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, personally appeared Alton J. Hall, Jr., known to me to be a credible person who on his oath deposed and stated the following on his personal knowledge:

1. “My name is Alton J. Hall, Jr. and I am a shareholder with Epstein Becker Green Wickliff & Hall, P.C. (formerly Wickliff & Hall, P.C.) (“EBGW&H”) and one of the attorneys for the City of Houston in Docket 26195 currently pending before the Public Utility Commission of Texas (“PUC”). My business address is 1000 Louisiana, Suite 5400, Houston, Texas 77002. I am over the age of eighteen (18) years, and there is no legal impediment to my giving this affidavit. I make this affidavit on my personal knowledge and the statements contained herein are true and correct.

2. “I have been practicing law before the Public Utility Commission of Texas since 1986. I supervise and manage the legal services performed by EBGW&H on behalf of the City of Houston (“COH”) in connection with Docket 26195. This includes the issues reserved from the Stipulation and Settlement Agreement reached in this Docket (“the Reserved Issues.”) Therefore, I am familiar with the work performed on behalf of COH

in this docket. I have reviewed the time and expenses billed thus far by EBGW&H relating to the Reserved Issues in the aforementioned docket. These billings have been accurately calculated and there is no double billing. None of the charges to the COH have been recovered through reimbursement of other expenses. The expenses are associated with the Reserved Issues in Docket 26195, and are reasonable and necessary to accomplish the tasks performed or to be performed in this docket.

3. Through September 30, 2003, COH has incurred \$12,023.50 in fees and \$673.73 in expenses in the above referenced Docket. This amount includes legal services associated with review of the filing package and testimony, review of legal and regulatory authorities, preparation for cross-examination and preparation of testimony.

4. The hourly rates for attorneys of \$185 to \$290, upon which the above billings are based, are reasonable fees for lawyers of similar experience in Houston, Harris County, Texas. I am the only attorney charging in excess of \$200/hour. I am a shareholder with EBGW&H and have extensive (18 years) experience in handling complex regulatory and litigation matters. Moreover, my standard rate for this type of complex matter is greater than the rate charged to COH in the above referenced Docket. In fact, the \$290 rate charged for my services represents a significant discount from the normal rate charged to clients for shareholder services. This discounted rate is also substantially below the prevailing market rate in Houston, Harris County, Texas.

5. The attorneys working on this matter were not able to perform other legal services during the time necessary to perform these services. The hours spent to perform the tasks

assigned to EBGW&H were reasonable and necessary to complete those tasks in a professional manner on a timely basis.

6. The expenses charged are particularly reasonable considering the complexity of the issues in this case and the time and resources required to analyze these issues. This case involves important issues affecting electric utility rates in Texas. Moreover, when compared to the amount requested by CenterPoint as reconcilable fuel in this case, the amount expended by the Cities in reviewing and filing testimony in this case is minimal.

7. The invoices prepared by EBGW&H include a description of services performed and time expended on each activity. The invoices through September 30, 2003, are available for review. Invoices for legal fees and expenses for all subsequent months will be available after the 15th day of the succeeding month. The firm documents its charges with time sheets, invoices, and records. The documentation in this case is similar to that provided in previous rate cases before the PUC.


8. EBGW&H has not charged for luxury items, including first class airfare, limousine service, entertainment, alcoholic beverages or sporting events. No meal charges were submitted in excess of \$25.00/person. To date, no member of this firm has billed in excess of 12 hours in one day.

9. It is estimated that EBGW&H will incur fees of \$22,000 and expenses of \$3,000 subsequent to September 30, 2003. This amount is based on my actual experience in previous rate cases at the PUC. The estimate accounts for preparation for hearing and participation in the hearing on the merits, participation in settlement discussions, preparation of briefs and reply briefs pertaining to this case, review of the proposal for

decision, preparation of exceptions and replies to exceptions, preparation for and attendance at PUC final order meetings, and preparation of motion for rehearing and reply to motions for rehearing. In addition, it is estimated that the COH would incur \$25,000 in fees and expenses associated with any appeal of the above referenced dockets through the Texas Supreme Court. The total amount of incurred and estimated legal fees and expenses requested for the Reserved Issues in this Docket is \$62,697.23, which includes \$59,023.50 in fees and \$3,673.73 in expenses.

10. In addition to the legal expenses incurred by EBGW&H in this case, testifying experts were retained to aid in review and evaluation of this case. The scope and amounts of such expenses are set forth in the testimony of James Daniel, dated November 5, 2003. These expenditures were necessary to retain consultants with special expertise in important fuel reconciliation issues and were necessary to properly represent the City of Houston in this proceeding.

"Further affiant sayeth not."

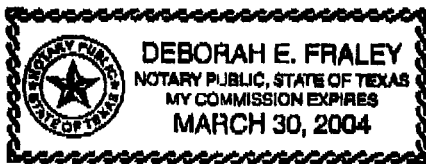


Alton J. Hall, Jr.

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, personally appeared Alton J. Hall, Jr., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he has read the foregoing affidavit and that the statements therein are true and correct.

Given under my hand and seal of office this 4th day of November, 2003.



Deborah E. Fraley
Notary Public in and for
The State of Texas

\\ODMA\PCDOCS\HOLIR\138676\1

EXHIBIT JWD-2

**Law Firms and Accounting, Engineering and Finance Firms in
Regulatory Proceedings**

City of Houston, Texas
Survey of Hourly Rates Charged By
Law Firms and Accounting, Engineering and Finance Firms in Regulatory Proceedings

Line No.	Firm Name / Employee Name	Employee Classification	Rate per Hour	File Date	Source
(a)	(b)	(c)	(d)	(e)	(f)
<u>Law Firms</u>					
1	Robert A. Rima			August 97 - December 98	PUCT Docket 17751
2	Robert A. Rima	Attorney	\$185		
3	Linda Nickell		\$50		
4	Mary Carolyn Carmichael		\$125		
5	Law Firm of Jim Boyle			August 97 - December 98	PUCT Docket 17751
6	Jim Boyle	Attorney	\$170		
7	Jim Haley	Attorney	\$120		
8	Shaw, Pittman, Potts & Trowbridge	Attorney	\$220	February 98 (2)	PUCT Docket 10200
9	Bob Web	Attorney	\$250	February 98 (2)	PUCT Docket 11735
10	Burford & Ryburn	Attorney	\$150	February 98 (2)	PUCT Docket 11735
11	Sutin, Thayer & Brown	Attorney	\$190	February 98 (2)	PUCT Docket 12900
12	Kemp, Smith & Duncan	Fee Range	High \$180 Low \$150	February 98 (2)	PUCT Docket 9945
13					
14	Caldwatter, Wickersham & Taft	Fee Range	High \$195 Low \$20	February 98 (2)	PUCT Docket 8702
15					
16	Baker & Botts	Fee Range	High \$263 Low \$23	February 98 (2)	PUCT Docket 8425
17					
18	Baker & Botts	Fee Range	High \$400 Low \$50	March 00 (5)	PUCT Docket 22355
19					
20	Worsham, Forsythe, Samples	Fee Range	High \$225 Low \$59	February 98 (2)	PUCT Docket 11735
21	& Woolridge				
22	Johnson & Gibbs	Fee Range	High \$190 Low \$60	February 98 (2)	PUCT Docket 12900
23					
24	Bracewell & Patterson	Senior Partners		November 98 (1)	PUCT Docket 20150
25		Fee Range	High \$325 Low \$300		
26					
27		Partners	\$225		
28		Associates			
29		Fee Range	High \$190 Low \$125		
30					
31		Paralegals			
32		Fee Range	High \$90 Low \$40		
33					
34	Bracewell & Patterson, LLP	Fee Range	High \$280 Low \$215	March 00 (4)	PUCT Docket 22354
35					
36	Carroll & Gross	Partners	\$225	November 98 (1)	PUCT Docket 20150
37		Associates	\$150		
38	Brown McCarroll & Oaks Hartline			January 98 - December 98	PUCT Docket 17751
39	Mark W. Smith	Attorney	\$185		
40	Kay Trostle	Attorney	\$170		
41	Liz Drews	Attorney	\$170		
42	Mike Wilkins	Attorney	\$70		
43	Mary Alice Guajardo	Attorney	\$25		
44	Brown McCarroll & Oaks Hartline	Senior Partners	\$300	November 98 (1)	PUCT Docket 20150
45		Partners			
46		Fee Range	High \$225 Low \$185		
47					
48		Associates	\$125		

City of Houston, Texas
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Law Firms and Accounting, Engineering and Finance Firms in Regulatory Proceedings

Line No.	Firm Name / Employee Name	Employee Classification	Rate per Hour	File Date	Source
(a)	(b)	(c)	(d)	(e)	(f)
<u>Law Firms</u>					
49	Akin, Gump, Strauss, Hauer	Senior Partners		November 98 (1)	PUCT Docket 20150
50	& Field	Fee Range	High \$325		
51			Low \$300		
52		Partners			
53		Fee Range	High \$250		
54			Low \$200		
55		Associates			
56		Fee Range	High \$220		
57			Low \$90		
58	Graves, Dougherty, Hearon	Fee Range	High \$250	February 98 (2)	PUCT Docket 8425
59	& Moody		Low \$40		
60	Graves, Dougherty, Hearon	Senior Partners		November 98 (1)	PUCT Docket 20150
61	& Moody	Fee Range	High \$350		
62			Low \$300		
63		Partners			
64		Fee Range	High \$230		
65			Low \$175		
66		Associates			
67		Fee Range	High \$175		
68			Low \$95		
69		Paralegals			
70		Fee Range	High \$90		
71			Low \$60		
72	Graves, Dougherty, Hearon	Fee Range	High \$400	March 00 (5)	PUCT Docket 22355
73	& Moody		Low \$50		
74	Broyles & Pratt	Fee Range	High \$195	February 98 (2)	PUCT Docket 12700
75			Low \$45		
76	Broyles & Pratt	Partners		November 98 (1)	PUCT Docket 20150
77		Fee Range	High \$200		
78			Low \$180		
79		Associates			
80		Fee Range	High \$125		
81			Low \$90		
82		Paralegals			
83	Naman, Howell, Smith and Lee	Senior Partners	\$250	November 98 (1)	PUCT Docket 20150
84		Partners			
85		Fee Range	High \$225		
86			Low \$140		
87		Associates			
88		Fee Range	High \$150		
89			Low \$90		
90		Paralegals			
91		Fee Range	High \$65		
92			Low \$40		
93	Clark, Thomas & Winters	Fee Range	High \$160	February 98 (2)	PUCT Docket 8702
94			Low \$65		

City of Houston, Texas
Survey of Hourly Rates Charged By
Law Firms and Accounting, Engineering and Finance Firms in Regulatory Proceedings

Line No.	Firm Name / Employee Name	Employee Classification	Rate per Hour	File Date	Source	
(a)	(b)	(c)	(d)	(e)	(f)	
<u>Law Firms</u>						
95	Clark, Thomas & Winters	Senior Partners		November 98 (1)	PUCT Docket 20150	
96		Fee Range	High	\$250		
97			Low	\$200		
98		Partners				
99		Fee Range	High	\$230		
100			Low	\$150		
101		Associates				
102		Fee Range	High	\$160		
103			Low	\$100		
104		Paralegals				
105		Fee Range	High	\$90		
106			Low	\$55		
107	Buford & Ryburn	Attorney	\$165	March 00 (3)	PUCT Docket 22350	
108	Worsham, Forsythe	Fee Range	High	\$338	March 00 (3)	PUCT Docket 22350
109	& Wooldridge, L.L.P.		Low	\$72		
110	Pratt and Grant	Fee Range	High	\$205	March 00 (4)	PUCT Docket 22354
111			Low	\$130		
112	Vinson & Elkins	Fee Range	High	\$375	March 00 (4)	PUCT Docket 22354
113			Low	\$165		
114	Jones, Day, Reavis & Pogue	Fee Range	High	\$330	March 00 (4)	PUCT Docket 22354
115			Low	\$115		
116	Barbara Day	Attorney	\$175	September 01 (6)	PUCT Docket 24336	
117	Charmaine Skillman	Attorney	\$175	September 01 (6)	PUCT Docket 24336	
118	Bruder, Gentile & Marcoux, L.L.P.			April 02	FERC Docket TX96-2-000	
119	Carmen L. Gentile	Attorney	\$395			
120	J. Michel Marcoux	Attorney	\$275			
121	Robert T. Stroh	Law Clerk	\$105			
122	McGinnis, Lochridge & Kilgore, L.L.P.			March 02	FERC Docket TX96-2-000	
123	Brook Brown	Attorney	\$275			
124	Campbell McGinnis	Attorney	\$300			

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(a)	(b)	(c)	(d)	(e)	(f)
<u>Accounting, Engineering and Finance Firms</u>					
118	Reed-Stowe & Co.			February 97 - December 98	PUCT Docket 17751
119	Jack E. Stowe, Jr.	Consultant	\$195		
120	Mark D. Israelson	Consultant	\$50		
121	Yvette Thompson	Consultant	\$125		
122	Daniel Bedell	Consultant	\$50		
123	Dave Yanke	Consultant	\$150		
124	Ellen Swan	Consultant	\$100		
125	Diversified Utility Consultants, Inc.			October 97 - December 98	PUCT Docket 17751
126	Daniel J. Lawton	Consultant	\$125		
127	Jack Pous	Consultant	\$125		
128	Sara Coleman	Consultant	\$100		
129	Diversified Utility Consultants, Inc.			September 01 (6)	PUCT Docket 24336
130	Daniel J. Lawton	Consultant	\$150		
131	Jack Pous	Consultant	\$150		
132	Professor Jim Dryer	Consultant	\$250	November 98 (1)	PUCT Docket 20150
133	Professor Michael Alles	Consultant	\$225	November 98 (1)	PUCT Docket 20150
134	Dennis Thomas & Assoc.			November 98 (1)	PUCT Docket 20150
135	Dennis Thomas	Consultant	\$250		
136	Hackett Group			November 98 (1)	PUCT Docket 20150
137	Gregg Hackett	Consultant	\$750		
138	Christine Gattenio	Consultant	\$750		
139	Dwayne Punnaewart	Consultant	\$300		
140	Price Waterhouse			November 98 (1)	PUCT Docket 20150
141	Jim Warren	Consultant	\$400		
142	Price Waterhouse Coopers			November 98 (1)	PUCT Docket 20150
143	Greg Wilson	Consultant	\$420		
144	KFG Group			November 98 (1)	PUCT Docket 20150
145	Ken Gallager	Consultant	\$175		
146	Actuarial Science Assoc.			November 98 (1)	PUCT Docket 20150
147	Frank Becker	Consultant	\$400		
148	J. Nemeth	Consultant	\$375		
149	R. Quesada	Consultant	\$325		
150	TLG Service, Inc.			November 98 (1)	PUCT Docket 20150
151	Thomas LaGuardia	Consultant	\$250		
152	TLG Service, Inc.	Fee Range	High \$250	March 00 (3)	PUCT Docket 22350
153		Low	\$42		
154	ECONAT, Inc.			November 98 (1)	PUCT Docket 20150
155	Bruice Louiselle	Consultant	\$250		
156	The Northbridge Group			November 98 (1)	PUCT Docket 20150
157	Mike Schnitzer	Consultant	\$375		
158	FINANCO	Consultant	\$165	February 98 (2)	PUCT Docket 9945
159	FINANCO	Consultant	\$165	February 98 (2)	PUCT Docket 9850
160	FINANCO	Consultant	\$165	February 98 (2)	PUCT Docket 9945
161	FINANCO	Consultant	\$175	February 98 (2)	PUCT Docket 12700
162	FINANCO	Consultant	\$175	February 98 (2)	PUCT Docket 12900
163	FINANCO	Consultant	\$195	February 98 (2)	PUCT Docket 12820

City of Houston, Texas
Survey of Hourly Rates Charged By
Law Firms and Accounting, Engineering and Finance Firms in Regulatory Proceedings

Line No.	Firm Name / Employee Name	Employee Classification	Rate per Hour	File Date	Source
(a)	(b)	(c)	(d)	(e)	(f)
<u>Accounting, Engineering and Finance Firms</u>					
164	FINANCO			November 98 (1)	PUCT Docket 20150
165	Sam Hadaway	Consultant	\$210		
166	FINANCO	Fee Range	High \$250	March 00 (3)	PUCT Docket 22350
167		Low	\$165		
168	Allen H. King	Consultant	\$175	November 98 (1)	PUCT Docket 20150
169	Gerald Tucker	Consultant	\$175	November 98 (1)	PUCT Docket 20150
170	Mal McLetchie	Consultant	\$250	November 98 (1)	PUCT Docket 20150
171	Olson & Co.	Consultant	\$210	February 98 (2)	PUCT Docket 8702
172	Olson & Co.	Consultant	\$235	February 98 (2)	PUCT Docket 11735
173	McGregor	Consultant	\$290	February 98 (2)	PUCT Docket 12900
174	Luftig	Consultant	\$300	February 98 (2)	PUCT Docket 12900
175	KPMG			February 98 (2)	PUCT Docket 9945
176	Peat Marwick	Consultant	\$250		
177	KPMG			February 98 (2)	PUCT Docket 12700
178	Peat Marwick	Consultant	\$285		
179	KPMG			February 98 (2)	PUCT Docket 12900
180	Peat Marwick	Consultant	\$275		
181	Stone & Webster	Consultant	\$195	February 98 (2)	PUCT Docket 9945
182	Stone & Webster	Consultant	\$210	February 98 (2)	PUCT Docket 12900
183	Coopers & LyBrand	Consultant	\$230	February 98 (2)	PUCT Docket 8702
184	Arthur Anderson			February 98 (2)	PUCT Docket 12820
185	Mike O'Donnell	Consultant	\$295		
186	UMS Group			November 98 (1)	PUCT Docket 20150
187	Jack Shearman	Consultant	\$438		
188	Don Miller	Consultant	\$288		
189	Mark Forsyth	Consultant	\$265		
190	Paul Kolter	Consultant	\$105		
191	Dave Army	Consultant	\$250		
192	Jack Parkes	Consultant	\$250		
193	Iris Rosenberg	Consultant	\$108		
194	Alex Park	Consultant	\$152		
195	Suzanne Elizer	Consultant	\$156		
196	Debra Smiliski	Consultant	\$250		
197	Julie Kim	Consultant	\$113		
198	Mario Bauer	Consultant	\$156		
199	Art Sederstrom	Consultant	\$250		
200	Bob Champagne	Consultant	\$375		
201	Stephen Spencer	Consultant	\$375		
202	Floyd Yeager	Consultant	\$313		
203	Steve Hall	Consultant	\$313		
204	Kelsey Lewis	Consultant	\$125		
205	Andrew Bryne	Consultant	\$350		
206	Tom Inglesby	Consultant	\$90		
207	Shiraz Kaderali	Consultant	\$325		
208	Dion Alley	Consultant	\$265		
209	Sharon Hefetz	Consultant	\$91		
210	Bruce Lang	Consultant	\$281		
211	Greg Lormand	Consultant	\$250		

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Law Firms and Accounting, Engineering and Finance Firms in Regulatory Proceedings

Line No.	Firm Name / Employee Name	Employee Classification	Rate per Hour	File Date	Source
(a)	(b)	(c)	(d)	(e)	(f)
<u>Accounting, Engineering and Finance Firms</u>					
212	Brian Swain	Consultant	\$300		
213	John Thomas	Consultant	\$250		
214	John Jeter	Consultant	\$295	February 98 (2)	PUCT Docket 12820
215	Tenera	Consultant	\$228	February 98 (2)	PUCT Docket 9300
216	Bechtel	Consultant	\$50	February 98 (2)	PUCT Docket 11735
217	Energy Planning, Inc.	Consultant	\$200	February 98 (2)	PUCT Docket 11735
218	John T. Boyd	Consultant	\$175	February 98 (2)	PUCT Docket 12900
219	John Ferguson	Consultant	\$300	February 98 (2)	PUCT Docket 12820
220	William M. Mercer, Inc.	Consultant	\$525	March 00 (3)	PUCT Docket 22350
221	Business Control Systems	Fee Range	High \$100	March 00 (3)	PUCT Docket 22350
222		Low	\$70		
223	National Economic Research Associates	Consultant	\$240	March 00 (3)	PUCT Docket 22350
224					
225	Henwood Energy Services, Inc.	Consultant	\$225	March 00 (3)	PUCT Docket 22350
226	Economic & Policy Analysis, Inc.			July 01	PUCT Docket 23950
227	Steven Andersen	Principal	\$145		
228	Economic & Policy Analysis, Inc.			July 01	PUCT Docket 24195
229	Steven Andersen	Principal	\$145		

- Notes: (1) From the Direct Testimony of Allen H. King in PUCT Docket 20150.
(2) From the Direct Testimony of Jacob Pous in PUCT Docket 17751 which was based on a TNMP survey conducted for PUCT Docket 12900.
(3) From the Direct Testimony of R. Keith Pruitt in PUCT Docket 22350.
(4) From the Request For Information based on the Direct Testimony of David G. Carpenter in PUCT Docket 22354.
(5) From the Request For Information based on the Direct Testimony of George H. Roper in PUCT Docket 22355.
(6) From the Direct Testimony of Jacob Pous in PUCT Docket 24336.