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SOAH DOCKET NO. 473-04-4555  
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APPLICATION OF CENTERPOINT §  
ENERGY HOUSTON ELECTRIC, LLC, §  
RELIANT ENERGY RETAIL §  
SERVICES, LLC AND TEXAS GENCO, §  
LP TO DETERMINE STRANDED §  
COSTS AND OTHER TRUE-UP §  
BALANCES PURSUANT TO PURA §  
§39.262 §

PUBLIC UTILITY COMMISSION  
BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S AND TEXAS GENCO, LP'S  
THIRD SET OF REQUESTS FOR INFORMATION TO  
THE COALITION OF COMMERCIAL RATEPAYERS

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<b>APPLICATION OF CENTERPOINT</b>	<b>§</b>	<b>BEFORE THE STATE OFFICE</b>
<b>ENERGY HOUSTON ELECTRIC, LLC,</b>	<b>§</b>	
<b>RELIANT ENERGY RETAIL</b>	<b>§</b>	<b>OF</b>
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<b>§39.262</b>	<b>§</b>	

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S AND TEXAS GENCO, LP'S  
THIRD SET OF REQUESTS FOR INFORMATION TO  
THE COALITION OF COMMERCIAL RATEPAYERS**

Pursuant to Sections 22.141-145 of the Procedural Rules of the Public Utility Commission of Texas, CenterPoint Energy Houston Electric, LLC and Texas Genco, LP (jointly CenterPoint) request that the Coalition of Commercial Ratepayers ("CCR"), by and through its attorney of record, provide the information requested on Attachment "A" in accordance with the definitions, explanatory notes, and instructions below within ten (10) days of receipt thereof, unless the Presiding Officer has provided a different time limit. It is further requested that the answers to the requests for information be made under oath, and that each item of information be made available as it is completed, rather than upon compilation of all information requested. Each answer should identify the person responsible for preparing it (other than the purely clerical aspects of its preparation) and the name of the witness in this proceeding who will sponsor the answer and who can attest to its accuracy. These requests are continuing in nature, and should there be a change in circumstances which would modify or change an answer supplied, such changed answer should be submitted immediately as a supplement to the original answer.

## DEFINITIONS, EXPLANATORY NOTES, AND INSTRUCTIONS

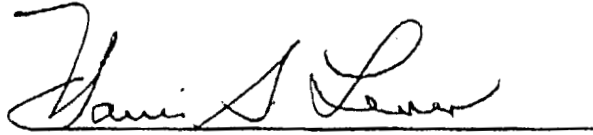
1. The term "identify," "identity" or "identification" when used in reference to an individual person, means to state that person's full name and business address, including zip code, telephone number, and present or last-known business position and duties.
2. The term "identify," "identity" or "identification" when used in reference to a business organization, means to state the corporate, partnership or proprietorship name or names, and locations, full addresses and telephone numbers of its principal place of business and all other business locations that should be denoted for a full and complete response to an inquiry, interrogatory or request for information.
3. The term "identify," "identity" or "identification" when used in reference to a document or study, means to state the type of document or the study format (e.g. book, magazine article, circular, ledger, letter, memoranda, chart, computer run information, microfilm, etc.), its present location and custodian, a description of its form, title, author, volume and page number or other means of general identification, its approximate size and number of pages, and the date on which it was made, prepared or taken. If any such document was, but is no longer in your possession or subject to its control, state what disposition was made of it.
4. The term "identify," "identity" or "identification" when used in reference to anything other than a person, business organization, document or study, means to state the nature and present location of the item, a description of its form, the name or title by which the item is commonly known, and the person or business organization that has custody of or responsibility to maintain the item.
5. The term "study" or "studies" means any analysis, investigation, summary of data, listing or report the results of which were made known, formally or informally, that is in the possession or control of the respondent to the attached requests for information.
6. The terms "document" and "documents" are used in their broadest sense and shall mean and include all written, printed, typed, recorded, or graphic matter of every kind and description, including drafts, originals and copies, and all attachments and appendices thereto. Without limiting the foregoing, the terms "document" and "documents" shall include all agreements, contracts, communications, correspondence, letters, telegrams, telexes, emails, messages, memoranda, records, reports, books, summaries, tape recordings or other records of telephone conversations or interviews, summaries or other records of personal conversations, minutes or summaries or other records of meetings and conferences, summaries or other records of negotiations, other summaries, diaries, diary entries, calendars, appointment books, time record, instructions, work assignments, forecasts, statistical data, statistical statements, financial statements, work sheets, work papers, drafts, graphs, maps, charts, tables, accounts, analytical records, consultants' reports, appraisals, bulletins, brochures, pamphlets, circulars, trade letters, press releases, notes, notices, marginal notations, notebooks, telephone records, bills statements, records of obligation and expenditure, invoices, lists, journals, advertising, recommendations, printouts, compilations, tabulations, analysis, studies, surveys, transcripts of hearings, transcripts of testimony, affidavits, expense reports, microfilm, microfiche, articles,

speeches, tape or disk recordings, sound recordings, video recordings, film, tape, photographs, punch cards, programs, data compilation from which information can be obtained (including matter used in data processing) and other printed, written, handwritten, type-written, recorded, stenographic, computer-generated, computer-stored, or electronically-stored matter, however, and by whomever produced, prepared, reproduced, disseminated, or made. The terms "document" and "documents" also include all copies of documents by whatever means made, except that where a document is identified or produced, identical copies thereof which do not contain any markings, additions, or deletions different from the original need not be separately produced.

7. If a copy of the information requested is available in machine-readable form (such as punch cards, paper or magnetic tapes, drums, disks or core storage), state the form in which it is available and describe the type of computer or other machinery required to read the information.
8. When a request calls for the identification of a "document" or "documents," the identification should include the following:
  - (a) the full name and address of the author(s) by whom the document was written, prepared, recorded or made;
  - (b) the date of the document;
  - (c) the title and/or "re" of the document;
  - (d) the subject matter of the document;
  - (e) the full name and address of the recipient and every person who received copies of the document;
  - (f) the full name and address of the person who has possession, custody or control of the document, or who is in charge of maintaining the document; and
  - (g) if the document has been lost, shredded or destroyed (whether intentionally or unintentionally) an explanation of the reasons for and causes of such loss, shredding or destruction.
9. If any requested information or document cannot be provided in its entirety, it shall be provided to the greatest extent possible, with an indication of the portion of the information or document that cannot be provided and the reason why it can not be provided.
10. The respondent to requests for information must provide not only the information or documents in its physical possession, custody, or control, but all information and documents in the physical possession, custody, or control of any other person acting or purporting to act on behalf of the respondent, including, but not limited to, contractors, attorneys, consultants, and witnesses.

11. The term "communication" shall mean any transaction of information by oral, graphic, written, pictorial, or other means, including, but not limited to, telephone, conversations, letters, telegrams, emails, and personal conversations.
12. "To each" means to identify separately information, facts, data and documents for each of the individual items or things designated as the subject of the specific inquiry or request.
13. Terms expressed in the masculine gender shall be regarded as including the feminine or neuter; terms expressed in the singular shall be regarded as being expressed in the plural, and vice versa; terms expressed in the past tense be regarded as being expressed in the present tense, and vice versa; and the term "and" shall be regarded as the term "or," and vice versa, so as to not limit the scope of any request.
14. The term "CenterPoint" refers to Reliant Energy Incorporated (including its unincorporated divisions Reliant Energy HL&P and Texas Genco) when used in the context of any time period prior to October 1, 2002 and refers jointly to CenterPoint Energy Houston Electric, LLC and Texas Genco, LP when used in the context of any time period on or after that date.
15. The term "Reliant Resources" refers to Reliant Resources, Inc.; Reliant Energy Retail Services, LLC; Reliant Energy Solutions, LLC; and any affiliate of Reliant Resources, Inc. on or after October 1, 2002.
16. The terms "Coalition of Commercial Ratepayers," "CCR" and "you" refer both to the organization or trade association that is a party to the subject proceeding to whom these requests for information are addressed and to each person and/or entity that is a member, directly or indirectly, of the organization or trade association for purposes of this proceeding. For members such as the Texas Retailers Association and the Texas Restaurant Association, these terms include each person and/or entity (such as a retailer or restaurant) that is a member, directly or indirectly, of those trade association members of the Coalition of Commercial Ratepayers.
17. The terms "Commission" and "PUC" refer to the Public Utility Commission of Texas.
18. In answering each request, please restate the request prior to providing the response. Each request and its response should begin on a separate page. Where there are subparts to a request, the answer to each subpart should be separately labeled.
19. The time frame for each request is January 1, 1999 to the present unless a different time frame is stated in the request.
20. If any requested information is not available in the form requested, please state that the information cannot be provided in the form requested and provide the information in the form that it currently exists.

Respectfully submitted,



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**ATTORNEYS FOR CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC AND  
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**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S AND TEXAS GENCO, LP'S  
THIRD SET OF REQUESTS FOR INFORMATION TO  
THE COALITION OF COMMERCIAL RATEPAYERS**

1. Please provide all email correspondence to or from (a) any representative of or attorney for CCR or any of its members and (b) any testifying or consulting expert hired by CCR or any of its members for this proceeding.
2. Produce all documents, including e-mail, comprising or relating to communications between any attorney or representative of CCR or any CCR member participating in this proceeding and prior, existing or potential Texas Genco investors relating directly or indirectly to Texas Genco, CenterPoint Energy or any affiliates thereof or to this true-up proceeding.
3. Produce all documents relating to Texas Genco, CenterPoint Energy or any affiliates thereof or to this true-up proceeding provided by or on behalf of any attorney or representative of CCR or any CCR member participating in this proceeding to any prior, existing or potential Texas Genco investors.
4. Produce all documents, including e-mail, comprising or relating to communications between any of CCR's testifying expert witnesses in this proceeding and prior, existing or potential Texas Genco investors relating directly or indirectly to Texas Genco, CenterPoint Energy or any affiliates thereof or to this true-up proceeding.
5. Produce all documents relating to Texas Genco, CenterPoint Energy or any affiliates thereof or to this true-up proceeding provided by or on behalf of any of CCR's testifying expert witnesses in this proceeding to any prior, existing or potential Texas Genco investors.
6. Produce all documents comprising or relating to communications between any of CCR's testifying expert witnesses in this proceeding and any other intervenor's expert witness(es) in this proceeding relating directly or indirectly to Texas Genco, CenterPoint Energy or any affiliates thereof or to this true-up proceeding.
7. Produce all documents relating to Texas Genco, CenterPoint Energy or any affiliates thereof or to this true-up proceeding provided by or on behalf of any of CCR's testifying expert witnesses in this proceeding to any other intervenor's expert witness(es) in this proceeding.

Requests 8 and 9 refer to the direct testimony of CCR Witness Jacob Pous:

8. With regard to your recommendations to adjust values in CenterPoint's Application in this proceeding, specifically:
  - a. Use of the Partial Stock Valuation Method overstates stranded investment and should be rejected (Pous Direct at 4, 10 and 27);



- b. Distribution of initial shares of a spin-off corporation by a dividend to shareholders rather than by direct sale to private investors has produced a lower partial stock valuation for Genco (Pous Direct at 16);
- c. Use of the ECOM model to calculate a negative stranded cost of \$5.9 billion in support of contending Genco has zero net stranded cost (Pous Direct at 19);
- d. Valuation of nuclear unit by comparison of respective fuel costs of a comparable size gas unit (Pous Direct at 20);
- e. Establishing benchmark value of Genco coal and lignite units by comparison to sales of approximately 60 coal-fired plants around the country since the late 1990s (Pous Direct at 22);
- f. Use of two TXU gas unit sales as proxy for Genco gas/oil-fired generation (Pous Direct at 24); and
- g. Claim that if CenterPoint had "relied on commercially reasonable or normal business practices in an effort to mitigate its stranded costs and protect the asset value of its generating facilities", there would be zero value of stranded costs (Pous Direct at 4-5 and 27-29),

please answer the following questions:

- a. Provide the name of any court, regulatory body or academic or professional body that has accepted or endorsed the method or theory of your recommendation.
  - b. Provide the appropriate citation to the case or action reporting such acceptance or endorsement.
  - c. Provide a citation to the section of the Public Utility Regulatory Act or other Texas statute authorizing the recommended adjustment.
  - d. State whether you have previously used or advocated the technique or theory supporting the recommendation.
  - e. State whether in any such prior use or subsequent events have verified or disproved the technique or theory.
9. Produce all documents not previously provided by you in this proceeding that relate to each of your answers above.

### CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served on all parties of record in this proceeding by facsimile, hand delivery, overnight delivery, or United States first class mail on this 8<sup>th</sup> day of June, 2004.

Bunny Browning