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David J. Sweeney 5559 Whispering Creek Way Houston, TX 77017-6266 Phone: 713-946-4038

E-mail: dsahou@aol.com

July 26, 2010

PUC - Customer Protection P.O. Box 13326 Austin, TX 78711-3326

Re: CenterPoint Energy Houston Electric, LLC Increased Rate Request Filed June 30, 2010

Dear Sirs:

I realize that there are a number of complicated issues that the Public Utility Commission must consider in reviewing any request to increase rates. In the case of the request submitted by CenterPoint Energy Houston Electric, LLC, I feel certain that they have provided a multitude of documents, graphs, charts and anything else that they believe will justify their request for a rate increase. In the copy of the rate request posted on their web site, they state that if their request were granted, it would amount to an increase in the charges passed through to the Retail Electric Providers of about 5%. According to their calculations in the event that the Retail Electric Providers passed through the full amount of the rate increase to the consumer, the monthly impact to a residential customer using 1,000 kWh per month would be \$5.53 per month.

I respectfully request that the Public Utility Commission consider the following items as part of your review of the rate increase requested by Centerpoint Energy Houston Electric, LLC:

1. This rate increase would, in part, be used to offset the costs of hardening the distribution systems against storms. Centerpoint Energy Houston Electric, LLC's past history does not indicate that they would actually **DO IT**. After Hurricane Rita in 2005, Centerpoint Energy Houston Electric, LLC said that they were going to increase spending by millions of dollars per year in order to harden the distribution system. The money was to be used to increase tree trimming and replacing poles throughout their system. Unfortunately this was not done. I believe the findings of the Public Utility Commission's "Final Staff Report" Project NO 32182 dated August 11, 2006 clearly point out the ongoing weakness in vegetation control, facilities maintenance, and system design elements that would decrease the probability of damage due to high winds and flooding.

2. The attached undated document obtained from the CenterPoint Energy web site, "Power Line Clearance Standards for Electric Service Reliability" in the Section Transmission Vegetation Management Program, in Item #5 states, "CenterPoint

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Energy currently inspects and maintains its transmission rights-of-way and transmission line vegetation growth on a 5-year cycle, which means that 20% of the circuits/lines have trees removed and/or trimmed annually." Trees under the transmission lines in the Meadow Creek Village sub-divisions in Houston, Texas had not been trimmed for 4 to 5 years before Hurricane Ike in 2008. Between January 2008 and July 2008 a number of severe thunderstorms caused numerous power outages in many areas of Houston. The electric power at my home was knocked out three (3) separate times by thunderstorms during this period by tree branches tripping fuses and/or shorting out transformers. The longest power outage was between 10 to 12 hours. When the CenterPoint Lineman restored the service, and was resetting the fuse on the pole after the longest outage, I asked him if the thunderstorms had caused this much of a problem what would happen if a major hurricane hit Houston? He said the power would be out for a long time, and I should get a generator if I did not already have one!

In addition to the tree growth issue, the pole located closest to curb on Flagstone Terrace was leaning badly, and needed to be straightened or replaced to reduce the risk of it coming down in the event of a Hurricane. I contacted CenterPoint Energy twice before Hurricane Ike in 2008 to report this pole was leaning to the point that I felt it would not withstand any Hurricane Force Winds. In both cases, the CenterPoint Energy Representatives that inspected the pole reported that it was okay. After Hurricane Ike struck, the pole that I had reported along with three (3) other poles that carry the transmissions lines running behind my home were replaced.

- 3. Since CenterPoint Energy Houston Electric, LLC did not follow through on their commitment to increase spending for tree trimming and replacing poles after Hurricane Rita in 2005, at the very least the rate increase currently being requested should be reduced by the amount of money that they had pledged to spend yearly after Hurricane Rita in 2005.
- 4. The CenterPoint Energy "Power Line Clearance Standards for Electric Service Reliability" should be changed so that the inspections and maintenance of their transmission rights-of-way and transmission line vegetation growth are carried out on a more realistic 3-year cycle.
- 5. CenterPoint Energy does not have a good record of following through on what say they will do. Therefore, the Public Utility Commission should spell out in writing detailed requirements and specific time lines for meeting them, as part of all future agreements to increase rates.

Following Hurricane Ike in 2008 and again in recent weeks, CenterPoint Energy has offered incentives, by mail, and E-mail for people to install Natural Gas Generators to avoid being without power during power outages resulting from Hurricanes, or other weather related issues. Lower income families, and retired individuals living on fixed incomes cannot afford even a discounted Gas Generator System. CenterPoint Energy's offering of incentives on Gas Generators to provide emergency power, while documented weakness in the CenterPoint Energy Houston Electric, LLC Distribution System are a major factor in these outages, could be **considered a conflict of interest**. These

incentives allow a limited number of people to avoid outages, while at the same time increasing sales for the CenterPoint Energy's Retail Nature Gas Division.

The regulation of the CenterPoint Energy Retail Natural Gas Service, and all other Retail Gas Providers throughout the State of Texas should be taken away from the Texas Railroad Commission and placed under the Texas Public Utility Commission.

Yours truly,

David J. Sweeney

Attachments - CenterPoint Energy Power Line Clearance Standards for Electric Service

Reliability

4 Photographs



# Power Line Clearance Standards for Electric Service Reliability

#### Overview

- CenterPoint Energy's Power Line Clearance Standards include clearing vegetation/trees
  that have the potential to interfere with the safe and reliable operation of its transmission
  and distribution lines. More than seventeen minutes of every hour customers are without
  power each year results from vegetation contacting power lines. During thunder storms and
  hurricanes, most power outages are caused by trees and large branches falling onto power
  lines due to high winds.
- The company employs degreed foresters to work with qualified tree-trimming contractors in an effort to trim and train trees to grow away from power lines.
- As fellow residents of the greater Houston area, CenterPoint Energy understands and supports the important role that trees play environmentally and for the beautification of our communities. The company recommends a philosophy of "the right tree in the right place."
- CenterPoint Energy's tree-trimming clearance standards are based on clearances the company believes are necessary to provide and maintain service reliability.

## **Distribution Vegetation Management Program**

- Distribution lines are generally located on wooden poles along roadways or in easements along property lines. They carry 12,470 or 34,500 volts of electricity. Power lines with greater voltages require greater clearances to maintain an acceptable level of reliability.
- CenterPoint Energy annually trims 700,000 to one million trees on its distribution system.
   There are a total of 3.5 million trees on its distribution system that need to be trimmed periodically.
- Currently, more than 100 contractor tree-crews work daily to maintain distribution lines throughout CenterPoint Energy's greater Houston service area.
- About 85 percent of CenterPoint Energy's Distribution Vegetation Management work is for
  planned, circuit-wide maintenance due to reliability performance, the remaining 15 percent is
  unplanned, localized maintenance, i.e. in response to immediate reliability issues identified
  by CenterPoint Energy's operations personnel or for direct customer requests.
- CenterPoint Energy tracks every interruption on its distribution system and identifies whether
  incidents are due to weather, trees, equipment failure, etc. Under certain circumstances,
  when data indicates that interruptions are being attributed to trees, the company executes
  orders as necessary to proactively trim trees along the circuit/power lines to improve service
  reliability.



- When CenterPoint Energy removes trees along its distribution lines with the permission of the property owner, CenterPoint Energy often offers tree replacements for those trees that the company believes are especially in need of removal. If a tree is removed at a customer's request, a replacement tree may not be offered.
- Customers may request trees to be trimmed or removed along CenterPoint Energy's
  distribution lines by calling their retail electric provider or CenterPoint Energy customer
  service. Within 10 days of receiving the request, a tree contractor will make an inspection. If
  trimming or removing the trees will improve immediate reliability problems or mitigate a
  safety or equipment hazard, the trees will be med or removed. Otherwise, trimming or
  removal may be deferred until normal maintenance is required.
- When tree trimming is planned, a contractor will place notification door cards with contact
  information on the doors of customers' homes except for situations in which immediate
  action is required or it is not obvious where to leave a card. If contacted, the contractors will
  make appointments with customers to address concerns before the work is done. The
  contractor should be contacted first to set appointments, rather than CenterPoint Energy.

### **Transmission Vegetation Management Program**

- Transmission lines are generally located on large steel towers or poles within rights-of-way owned by CenterPoint Energy. They carry 69,000, 138,000 or 345,000 volts of electricity.
- In order to maintain a predictable low-growing vegetation environment within its transmission line corridors, CenterPoint Energy utilizes the following practices:
  - 1. CenterPoint Energy requires a greater distance between vegetation and its transmission infrastructure because of the higher voltages and greater movement of conductors in transmission lines. If a tree makes contact with a transmission line, hazardous electric current is injected into the ground that can travel across local underground cables and pipes causing severe damage to public and private property. An outage on a transmission line can impact 100,000 customers or more.
  - 2. Rights-of-way are cleared of all tall-growing species from edge to edge during the initial construction of a transmission line and are maintained in the same manner. This involves removal of trees within the right-of-way and side trimming of branches that overhang into the right-of-way.
  - 3. The right to remove trees and other vegetation is typically included within CenterPoint Energy's standard transmission easements purchased by the company.
  - 4. Where transmission lines cross or run along streets within the street right-of-way, CenterPoint Energy will meet and discuss concerns with the city, county or state forester and follow his/her recommendation, i.e. trim only, remove, or remove and replant the area with approved species.



- 5. CenterPoint Energy currently inspects and maintains its transmission rights-of-way and transmission line vegetation growth on a 5-year cycle, which means that 20% of the circuits/lines have trees removed and/or trimmed annually.
- 6. CenterPoint Energy makes an annual aerial inspection of the rights-of-way to identify trees that are dead, dying or are compromised (e.g. root erosion near creeks) in such a way that they may fall into an adjacent transmission line. Since such trees are usually located outside of the right-of-way, CenterPoint Energy attempts to obtain landowner permission to remove these trees before they fall.
- CenterPoint Energy's transmission line clearance standard has proven effective. As a result, we have not experienced any recent major transmission incidents related to trees or vegetation.

#### What can customers do?

- Customers can take the following steps to help avoid the need for tree trimming/removal:
  - 1. When planting trees, select a location away from power lines.
  - 2. Call CenterPoint Energy or see our tree trimming Web page at <a href="https://www.CenterPointEnergy.com/trees">www.CenterPointEnergy.com/trees</a> for an approved list of species that can be planted under or near power lines.







