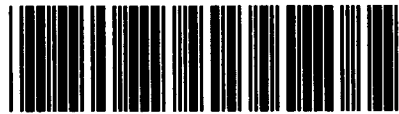




Control Number: 38339



Item Number: 143

Addendum StartPage: 0

**P.U.C. DOCKET NO. 38339
SOAH DOCKET NO. 473-10-5001**

**APPLICATION OF CENTERPOINT
ENERGY HOUSTON ELECTRIC, LLC
FOR AUTHORITY TO CHANGE RATES**

§
§
§
§

**BEFORE THE
PUBLIC UTILITY COMMISSION
OF TEXAS**

RECEIVED
13 AUG -9 PM 2:53
PUBLIC UTILITY COMMISSION
FILING CLERK

CITY OF HOUSTON'S THIRTEENTH REQUEST FOR INFORMATION

In connection with the Application filed by CenterPoint Energy Houston Electric, LLC ("CenterPoint"), the City of Houston ("the City") requests that CenterPoint, by and through its attorney of record, provide the following information within ten (10) days of receipt of these requests. 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 that answer (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 vouch for its accuracy. These requests are continuing in nature, and should there be a change in circumstances which would modify or change an answer supplied by you, such changed answer should be submitted immediately as a supplement to your original answer.

143

DEFINITIONS AND EXPLANATORY NOTES

1. When the request calls for the identification of a “person or witness,” the identification shall include a full name, business address and business telephone number. The identification should also include a job title and name of employer.
2. 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, 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, 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 “non-privileged document” and “non-privileged 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.
3. If any of the information requests is available in machine-readable form (such as paper or magnetic tapes, drums, disks or other storage), state the form in which it is available and describe the type of computer or other machinery required to read the information.
4. When a request calls for the identification of a “document,” 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.
5. The term “studies” includes any document, as defined herein, which reflects or was utilized in the collection, evaluation, analysis, summarization or characterization of information in connection with the subjects referred to in this proceeding.
6. The term “CenterPoint” or “CenterPoint Energy Houston Electric, LLC” includes CenterPoint Energy Resources and all of its agents, employees, parent companies, subsidiaries, affiliates, predecessors, successors, or assigns.

CITY OF HOUSTON'S THIRTEENTH REQUEST FOR INFORMATION

- 13-1. (Affiliates) Provide the total amount charged to CEHE for each of the following:
- David McClanahan's total compensation.
 - Gary Witlock's total compensation
 - Scott Rozell's total compensation
 - Thomas Standish's total compensation.
 - Byron Kelley's total compensation.

Indicate where these charges are recorded on CEHE's books. Provide the allocation method and cite the affiliate transactions schedules in the rate filing package where these charges are included.

- 13-2. (Affiliates) Do any of the individuals listed in the previous question serve on the board of directors of any corporations other than CenterPoint Energy? If yes, please list each board of directors that each served on during 2009 and 2010.
- 13-3. (Affiliates) Provide the amount of pension expense included in test year expenses for each named executive officer for the CenterPoint Energy Retirement Plan. Also,
- Provide the allocation method used to allocate these costs among affiliates.
 - Provide the cells within each affiliate transaction schedules in the rate filing package where these charges are shown.
- 13-4. (Affiliates) Provide the amount of pension expense included in test year expenses for each named executive officer for the CenterPoint Energy Benefit Restoration Plan. Also,
- Provide the allocation method used to allocate these costs among affiliates.
 - Provide the cells within each affiliate transaction schedules in the rate filing package where these charges are shown.
- 13-5. (Pension) Provide a complete copy of the Standard & Poor's survey, *Funding Shortfall of U.S. Utility Pension and Postretirement Benefits Adds to Industry's Cost Pressure Woes* referenced by Mr. Woods at page 46 of his testimony.
- 13-6. (Pension) Provide the dollar impact on the 2009 and 2010 FAS 87 pension expense of an increase or decrease of a one-half percent change to the 6.9 % discount rate.
- 13-7. (Pension) Provide the dollar impact on the 2009, 2010, and 2011 net periodic pension cost or income (FAS 87) of an increase or decrease of a one-half percent change to the 8% long-term expected return.
- 13-8. (Pension) Explain the impact that the amount and frequency of cash contributions to the pension plan have on the calculation of the FAS 87 pension expense.

13-9. (Pension) Please provide in the following table format the FAS 87 Pension Plan information for 2005-2011. Please explain any variation between the long-term rate of return on assets and the actual rate of return. Indicate the amounts that are estimates.

	2005	2006	2007	2008	2009	2010	2011
Net periodic pension cost (income)							
Obligation at December 31							
Fair value of plan							
Actual return on assets							
Benefits paid							
Funded status							
Accumulated benefit obligation							
Funded ratio							
Service Cost							
Interest Cost							
Expected return on assets							
Amortization of Transition Asset							
Amortization of Past Service Cost							
Recognized (Gain) Loss							
Net Periodic Pension Cost (income)							
CEHE's contribution to plan							
Discount rate for annual expense							
Long-term rate of return on assets							
Actual rate of return on assets							

13-10. (Pension) Explain how the FAS 158 requirement that the market value of the pension plan assets be included on the Company's balance sheet impacts the Company's financial.

13-11. (Pension) Explain the impact of the Pension Protection Act on the Company's cash flow requirements.

13-12. (Pension) Explain the interplay among ERISA, the Internal Revenue Code and Pension Protection Act on the minimum required contribution to the pension plan.

13-13. (Pension) Refer to Mr. Woods' testimony at lines 8-13 of page 48. Provide the Hewitt document that contains the report and data from Hewitt,

13-14. (Pension) Refer to Mr. Woods' testimony at line 17-18 of page 48. Will CEHE make a contribution to the pension plan in 2010 even though no contribution is required? Please explain.

- 13-15. (Pension) Refer to Mr. Woods' testimony at line 20-21 of page 48. Is a corporation required to comply with the 2009 funding target calculation of its actuary? Please explain the compliance aspect of Mr. Woods' statement.
- 13-16. (Pension) Which employees participate in the Benefit Restoration Plan?
- 13-17. (Pension) Provide the Hewitt report upon which CenterPoint Energy Houston's (CEHE) retirement plan expense was determined for the historic and pro forma test years.
- 13-18. (Pension) How is pension expense related to the labor charged to CEHE from the service company determined? Where is this amount reflected in the affiliate transaction schedules? Which witness discusses and supports these costs?
- 13-19. Schedule V-K-12. What is "OPEXA" allocation method? This method is not defined in Schedule V-K-11 with the other SKFs. Should it instead refer to allocation "OPEX"?
- 13-20. Schedule V-K-12, line 2001. Why is CEHE being charged for "OSS - Forms Design & Management" for the "OSS Shreveport Srvs" cost center?
- 13-21. Exhibit KCD-4, page 24. What is iBuy program for cost center 156151 (P&L E:Procurement)?
- 13-22. Schedule V-K-12, line 2041. Explain why storm billing costs for "Serv Co Validation to Ike Dis" have not been removed as non-recurring?
- 13-23. Schedule V-K-12. Please further explain the following cost objects that do not appear in the cost center assignment manuals in Exhibit KCD-2 through KCD-6:
- a. 156164
 - b. 157525
 - c. 157556
 - d. 157586
 - e. 157624
 - f. 157688
 - g. 157723
 - h. 11031660
 - i. 11032123
 - j. 13071303
 - k. S/101378/CG/EQIP
 - l. S/101566/CG/AA80
 - m. S/101675/CG/AA80
 - n. S/101678/CG/AA80
 - o. S/156114/EG/SUB043001
- 13-24. Schedule V-K-12, lines 2043-2047. Are these items listed under FERC Account 1070 included in the Company's proposed rates? If yes, where?

13-25. Schedule V-K-12, line 2048. What is the cost element named “M&S - Non-Inventory”?
If this item is included in the Company’s proposed rates, indicate where.

Respectfully submitted,

DAVID FELDMAN
City Attorney

MELBA T. POURTEAU
Senior Assistant City Attorney
P.O. Box 1562
Houston, Texas 77251
(832) 393-6320
(832) 393-6259 (Fax)

ALTON J. HALL, JR.
State Bar No. 08743740
TAMMY WAVLE-SHEA
State Bar No. 24008908
Epstein Becker Green Wickliff & Hall, P.C.
1000 Louisiana, Suite 5400
Houston, Texas 77002
(713) 750-3114
(713) 750-3101 (Fax)
email: ahall@ebglaw.com
tshea@ebglaw.com

By: Tammy Wavle-Shea with permission
Tammy Wavle-Shea *Mary E. Murphy*

ATTORNEYS FOR CITY OF HOUSTON

CERTIFICATE OF SERVICE

On this the 9th day of August, 2010, a true copy of the foregoing document was served upon all parties of record by facsimile, email and/or U.S. mail, postage paid.

Tammy Wavle-Shea with permission
Tammy Wavle-Shea *Mary E. Murphy*