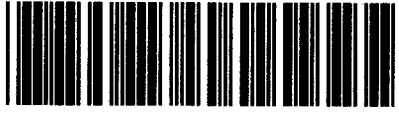




Control Number: 38339



Item Number: 447

Addendum StartPage: 0

SOAH DOCKET NO. 473-10-5001  
DOCKET NO. 38339

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

BEFORE THE  
PUBLIC UTILITY COMMISSION  
OF TEXAS

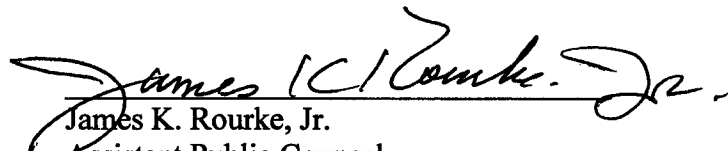
RECEIVED  
10 SEP 17 AM 9:31  
PUBLIC UTILITY COMMISSION  
FILING CLERK

OFFICE OF PUBLIC UTILITY COUNSEL'S RESPONSE  
TO CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S  
SECOND REQUEST FOR INFORMATION

The Office of Public Utility Counsel stipulates that the following response(s) to request(s) for information may be treated by all parties as if the answers were filed under oath.

Respectfully submitted,

Sheri Sanders Givens  
Public Counsel  
State Bar No. 24037430

  
James K. Rourke, Jr.  
Assistant Public Counsel  
State Bar No. 17323700

OFFICE OF PUBLIC UTILITY COUNSEL  
1701 N. Congress Avenue, Suite 9-180  
P.O. Box 12397  
Austin, Texas 78711-2397  
512/936-7500 (Telephone)  
512/936-7525 (Facsimile)  
[jim.rourke@opc.state.tx.us](mailto:jim.rourke@opc.state.tx.us)

**SOAH DOCKET NO. 473-10-5001  
DOCKET NO. 38339**

<b>APPLICATION OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC FOR AUTHORITY TO CHANGE RATES</b>	§ § § § §	<b>BEFORE THE  PUBLIC UTILITY COMMISSION  OF TEXAS</b>
--	-----------------------	--

**OFFICE OF PUBLIC UTILITY COUNSEL'S RESPONSE  
TO CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S  
SECOND REQUEST FOR INFORMATION**

**QUESTION 2-19:**

If the basis for OPUC Witness Lacy L. Seybold's recommendation to reject the Company's proposed EECRF is solely related to the Company's inclusion of approximately \$10 million in energy efficiency program costs resulting from the settlement of Docket No. 32093 in its EECRF performance bonus calculation and the Company's proposal to include \$1,436,550 of Lost Revenue Adjustment Mechanism ("LRAM"), state whether OPUC's recommendation would change and how, if those issues are precluded from litigation in this proceeding and CenterPoint Houston is only allowed to recover the amount for its 2011 energy efficiency program costs (\$30,784,000) and \$3,007,344 for CenterPoint Houston's 2009 Performance Bonus through its EECRF.

**RESPONSE:**

OPC's position regarding CenterPoint's energy efficiency costs and the EECRF is that:

- (1) The \$22,925,492 currently included in CenterPoint's base rates for energy efficiency program costs should be removed from base rates pursuant to P.U.C. Subst. R. 25.181.
- (2) To the extent that the Commission determines that CenterPoint should recover energy efficiency program costs, the costs should be recovered through the EECRF pursuant to P.U.C. Subst. R. 25.181.
- (3) OPC has not reviewed the reasonableness of the \$22,925,492 amount or the \$7,858,508 increase in energy efficiency costs requested by CenterPoint. Therefore, OPC is not addressing the reasonableness of these amounts or CenterPoint's right to recover these amounts through the 2011 EECRF.
- (4) As the Commission determined in the final order in Docket No. 36952, the calculation of the EECRF performance bonus for CenterPoint should not include the additional \$10 million per year spent on energy efficiency programs pursuant to the settlement agreement and final order in Commission Docket No. 32093. Therefore, CenterPoint's performance bonus for 2009 energy efficiency programs should not exceed \$3,007,334.
- (5) PURA does not authorize CenterPoint's proposed Lost Revenue Adjustment Mechanism or the recovery of "lost revenues" as proposed by CenterPoint, which the Commission recognized in the Supplemental Preliminary Order in Docket No. 38213. Therefore, CenterPoint's EECRF should not include recovery of the \$1,436,550 claimed by CenterPoint as "lost revenues."

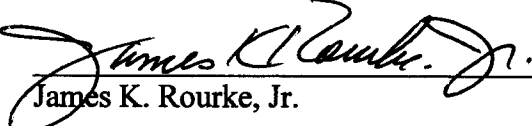
Prepared By:            Jim Rourke  
Sponsored By:         Lacy Seybold

**CERTIFICATE OF SERVICE**

SOAH Docket No. 473-10-5001

PUC Docket No. 38339

I certify that on September 17, 2010, I served a true copy of the foregoing Office of Public Utility Counsel's Response to CenterPoint Energy Houston Electric, LLC's Second Request for Information on all parties of record via United States First-Class Mail, hand-delivery or facsimile.

  
James K. Rourke, Jr.