

EXHIBIT "C"

Invoice



June 18, 2010
Engagement No: 02606.00
Invoice No: 0004403

Stephen Bezecny
CenterPoint Energy
1111 Louisiana St
PO Box 1700
Houston, TX 77251-1700

W/F 63807

1700130762
0092
7/12/10

Engagement 02606.00 CenterPoint Houston Policy Testimony

Professional Services from May 01, 2010 to May 31, 2010

Professional Personnel

	Hours	Rate	Amount	
Chairman and Chief Executive Officer	25.50	575.00	14,662.50	
Project Manager	63.00	310.00	19,530.00	
Assistant Consultant	55.00	245.00	13,475.00	
Project Assistant	3.00	50.00	150.00	
Totals	146.50		47,817.50	
Total Labor				47,817.50

Reimbursable Expenses

Billable Travel Expenses			3,261.24	
Total Reimbursables			3,261.24	3,261.24

Unit Billing

Copies				
Black & White Copies May 2010	307.0 Copies @ 0.08		24.56	
Total Units			24.56	24.56

Total this Invoice \$51,103.30

For billing inquiries, please call us at (508) 263-6200 ext. 6268
Taxpayer ID: 01-0568063

Engagement 02606.00

CenterPoint Houston Policy Testimony

Invoice

0004403

Billing Backup

Friday, June 18, 2010

Concentric Energy Advisors, Inc.

Invoice 0004403 Dated 6/18/2010

9:25:23 AM

Engagement 02606.00

CenterPoint Houston Policy Testimony

Professional Personnel

		Hours	Rate	Amount
Chairman and Chief Executive Officer				
Reed, John	5/6/2010	3.00	575.00	1,725.00
	Preparation for and participation in conference call re: Alternate Ratemaking and JJReed draft testimony			
Reed, John	5/7/2010	2.00	575.00	1,150.00
	Preparation for and participation in conference call re: consolidated taxes and draft testimony			
Reed, John	5/10/2010	.50	575.00	287.50
	Review of prior JJR testimony			
Reed, John	5/18/2010	1.00	575.00	575.00
	Call w/JLieberman re: draft testimony; discussion re: meeting in Houston			
Reed, John	5/19/2010	2.00	575.00	1,150.00
	Review of and comments on JJReed draft testimony			
Reed, John	5/20/2010	2.00	575.00	1,150.00
	Edits to draft testimony			
Reed, John	5/25/2010	5.00	575.00	2,875.00
	Travel to Houston for meeting; preparation for meeting			
Reed, John	5/26/2010	10.00	575.00	5,750.00
	Meetings in Houston; travel back to Boston			
Project Manager				
Lieberman, Julie	5/3/2010	1.25	310.00	387.50
	Call with Burl and Perrin to discuss drafting of John Reed's testimony. Brief meeting to discuss DCRF mechanism with the ROE testimony team.			
Lieberman, Julie	5/4/2010	2.75	310.00	852.50
	Review Hevert and Felsenthal Testimony for the upcoming proceeding to check for alignment with John Reed's testimony. Discuss cost recovery analysis and CTSA update with Andrew.			
Lieberman, Julie	5/5/2010	.50	310.00	155.00
	Review credit reports for CenterPoint Houston			
Lieberman, Julie	5/6/2010	2.25	310.00	697.50
	Call with CenterPoint team to discuss first draft of John Reed's testimony; Call with Andrew to discuss remaining analysis for cost recovery and CTSA research			
Lieberman, Julie	5/7/2010	4.50	310.00	1,395.00
	Drafting and editing CenterPoint Return of Capital testimony; Call with CenterPoint on the Consolidated Tax portion of the testimony and follow up to call begin gathering additional information.			
Lieberman, Julie	5/11/2010	10.25	310.00	3,177.50
	(1.25 hours) preparation and call to discuss consolidated tax research w/ CenterPoint and Baker & Botts; (1.5 hours) summarize capital tracker exhibit; (7.5 hours) draft and edit John Reed's testimony			
Lieberman, Julie	5/12/2010	8.00	310.00	2,480.00
	(6.5 hours) draft and edit J. Reed testimony; (1.5 hours) review Alt Reg analysis w/ Andrew			
Lieberman, Julie	5/13/2010	1.00	310.00	310.00
	Discuss scheduling of CenterPoint testimony review with Burl Drews and determine availability for a meeting in Houston			
Lieberman, Julie	5/14/2010	.50	310.00	155.00
	Review 10-K disclosures on true-up proceedings			
Lieberman, Julie	5/17/2010	3.00	310.00	930.00
	Research jurisdictional treatment of CTSA's.			

EXHIBIT "D"



Approved
for payment.
Stephen
6/8/10

Stephen Bezecny
Center Point Energy Houston Electric,
1111 Louisiana
Houston, TX 77002

STRICTLY CONFIDENTIAL

DUE UPON RECEIPT
INVOICE #: 170969
JOB NUMBER: 02514-005
TAX ID#: 01-0666114

FEE SUMMARY

Professional	Title	Hours	Rate	Total
Paul Charnetzki	Managing Director	.60 hrs	\$ 490.00 / hr	294.00
Alan Felsenthal	Managing Director	31.00 hrs	\$ 490.00 / hr	15,190.00
Timothy Zeldenrust	Director	110.50 hrs	\$ 390.00 / hr	43,095.00
Benton Stansel	Analyst	110.00 hrs	\$ 150.00 / hr	16,500.00
Total Professional Charges				75,079.00

FEE DETAIL

Date	Professional	Description	Hours	Fees
05/03/10	Timothy Zeldenrust	Review of initial draft of schedules. Double checked tax schedules.	3.00	1,170.00
05/03/10	Benton Stansel	Reviewed 1st draft: updated changes and communicated corrections.	4.00	600.00
05/03/10	Alan Felsenthal	Editing and adding to first draft of income tax testimony. Reviewed schedules I am sponsoring.	3.00	1,470.00
05/04/10	Timothy Zeldenrust	Review of OPEB liability and Medicare part D information. Discussion with Ben Stansel regarding workpaper preparation.	2.00	780.00
05/04/10	Benton Stansel	Documented workpapers from 2008 tax return. Conducted Medicare Part D research.	7.00	1,050.00

EXHIBIT "E"

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 38339
SOAH DOCKET NO. 473-10-5001**

**CITY OF HOUSTON
REQUEST NO.: COH12-11**

QUESTION:

Please provide a consolidated tax savings adjustment that includes the years 1994 through 2009 using the Commission's methodology adopted in Dockets 14965, 28840, and 33309. Provide all calculations in electronic format. Provide all underlying documents relied upon for the amounts included in the calculations.

ANSWER:

The 2009 federal tax return has not been filed. The Company expects to file the 2009 federal tax return by the deadline of September 15, 2010 and a complete copy will be provided at that time. As stated in Mr. Felsenthal's testimony, Mr. Felsenthal believes that the stand alone method is appropriate for determining CenterPoint Houston's 2009 income tax expense and that a consolidated tax savings adjustment is zero. Second, as also stated in Mr. Felsenthal's testimony, Docket 14965 articulated a "but for" methodology, and under this method the consolidated tax savings adjustment is also zero, as summarized on Exhibit ADF-3.

The workpapers and supporting documents related to the "but for" calculation were provided in response to GCCC 4-29. While we do not believe a different methodology is appropriate, we believe that this same workbook can be used to calculate a CTSA using the approaches presented in Dockets 28840 and 33309.

Sponsor: Alan Felsenthal

Responsive Documents:
None

EXHIBIT "F"

1 **II-E-3.1: Reconciliation of Test Year Book Net Income to Taxable Net Income**

2 This schedule shall include a complete reconciliation of book net income and taxable net income
3 for the test period and for the most recent year for which a tax return was filed in the same format
4 as required by the Federal Internal Revenue Service. A complete explanation of all items in the
5 reconciliation shall be included. A copy of the workpapers containing supporting calculations for
6 each item in the reconciliation shall be filed in the voluminous room concurrent with the filing of
7 the rate filing package (RFP) and shall be referenced to this schedule. If the claimed tax
8 allowances do not take into consideration all items appearing in the reconciliation for the most
9 recent tax return, the reasons therefore shall be submitted.

10 **II-E-3.2: Reconciliation of Timing Differences**

11 This schedule shall include a reconciliation detailing those timing differences and other items
12 that would produce federal income taxes at a rate differing from the statutory rate book net
13 income for the test period. A complete explanation of all items in the reconciliation shall be
14 included. Supporting calculations for each item in the reconciliation shall be filed in workpapers
15 to the RFP and shall be referenced to this schedule.

16 **II-E-3.3: Plant Adjustments**

17 This schedule shall provide the following information for any new transmission and distribution
18 assets by function (purchased or constructed since the company's last complete rate case) and any
19 requested adjustment to test year thereto:

- 20 1. Tax in-service date.
- 21 2. Tax basis.
- 22 3. All applicable forms of tax depreciation method, class, etc.
- 23 4. Amount of all applicable forms of tax depreciation for the test year and amounts
24 projected for the subsequent two years.
- 25 5. Amount of ADFIT as of test year end.

26 **II-E-3.4: Consolidated Taxes**

27 This schedule shall pertain to those utilities who join in filing a consolidated federal income tax
28 return. The schedule shall include a detailed description and analysis of the tax effect on the
29 filing utility of its inclusion within a consolidated income tax return for the most recent tax year.

30 **II-E-3.5: Consolidation Benefits**

31 This schedule shall list and explain any benefits to the utility of filing a consolidated tax return
32 for the most recent three tax years (for example, increased utilization of ITCs due to taxable
33 income of subsidiaries). Supporting calculations, including the last three years' consolidated
34 federal income tax returns if available, shall be filed in workpapers to the RFP and shall be
35 referenced to this schedule.

36 **II-E-3.6: Consolidation/Inter-Corporate Tax Allocation**

1 This schedule shall provide a detailed explanation of the accounting for inter-corporate tax
2 allocation. This schedule shall include a discussion of events that give rise to inter-corporate
3 payments and receipts, journal entries used to record the various events, and the rationale for the
4 accounting treatment. A copy of all inter-corporate tax allocation agreements in effect for the
5 test year or anticipated changes subsequent to the test year shall be filed in workpapers to the
6 RFP and referenced to this schedule.

7 **II-E-3.7: ADFIT**

8 This schedule shall provide test year end book balances, requested adjustments to these balances,
9 and the resulting adjusted balances by function for accumulated tax deferrals. This schedule
10 shall also show the monthly book balances of accumulated tax deferrals by function for each of
11 the 12 months of the test year. This schedule shall also include the additions and reductions for
12 the test year. Each item giving rise to the tax deferrals shall be segregated. In addition, please
13 provide an explanation of any changes in the Company's accounting for deferred federal income
14 taxes. For example, if the Company has changed its method of calculating the entry to
15 liberalized depreciation, it shall provide the old methodology, the new methodology, and the
16 rationale for the change.

17 **II-E-3.8: ADFIT – Description of Timing Differences**

18 This schedule shall include a description of the nature of each timing difference listed in
19 Schedule II-E-3.7. Also, the remaining life of each timing difference as of test year end shall be
20 disclosed if available.

21 **II-E-3.9: Adjustments to ADFIT**

22 This schedule shall provide supporting explanations and detailed calculations for each
23 adjustment to the test year end balances in Schedule II-E-3.7. Each resulting adjustment shall be
24 referenced back to Schedule II-E-3.7.

25 **II-E-3.10: ADFIT and ITC – Plant Adjustments & Allocations**

26 This schedule shall provide the accumulated deferred tax balances (by timing difference) and the
27 accumulated ITC balances (by subaccount) at test year end related to additions to new
28 transmission and distribution plant in service by function since the Company's last filing and any
29 plant adjustments to the test year end requested by the Company. Supporting calculations and
30 explanations shall be filed in workpapers to the RFP and shall be referenced to this schedule.

31 **II-E-3.11: Analysis of ITCs (see attached form)**

32 This schedule shall present an analysis of the investment tax credits adjustment.

33 **II-E-3.12: Utilized**

34 This schedule shall provide an analysis of investment tax credits utilized for tax return proposes.
35 The amounts should be shown as QPEs and "other" by vintage year, if available, as adjusted for
36 any recapture or IRS audit adjustment. If the total amount of investment tax credits utilized (net
37 of any recaptures or audit adjustments imposed) differs from the gross amortizable base
38 appearing on Schedule II-E-3.11, a reconciliation supporting such difference shall also be
39 provided as an attachment to this schedule.