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APPLICATION OF CENTERPOINT
ENERGY HOUSTON ELECTRIC, LLC
FOR APPROVAL TO AMEND ITS
DISTRIBUTION COST RECOVERY
FACTOR

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BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS

HOUSTON UTILITY COMMISSION

CITY OF HOUSTON’S LIST OF ISSUES

Pursuant to Public Utility Regulatory Act, V.T.C.A Utilities Code 36,210 (Vernon 1998) (“PURA”) and Public Utility Commission of Texas (“Commission”) Substantive Rule 25,243, the City of Houston (“City”), submits this List of Issues, and in support thereof would respectfully show as follows:

The following is the City’s preliminary list of issues for the above-referenced proceeding:

1. Has CenterPoint Energy Houston Electric, LLC (“CEHE”) calculated the Federal Income Tax (FIT) expense resulting from the Tax Cuts and Jobs Act reduction in the FIT rate from 35 percent to 21 percent correctly and in accordance with PURA and Commission rates?
2. Has CEHE recorded a regulatory liability for excess Accumulated Deferred Income Taxes resulting from the Tax Cuts and Jobs Act for both protected and unprotected asset balances?
3. Has CEHE included an amortization of excess Accumulated Deferred Income Taxes resulting from the Tax Cuts and Jobs Act for both protected and unprotected asset balances?
4. Has CEHE included all information schedules and work papers required by the Commission’s Application Form Instructions for DCRF filings and any previous Commission Orders?
5. Does CEHE’s earning monitoring report included in its application indicate that CEHE is earning more than its Commission-authorized rate of return when using weather-normalized data?
6. Has CEHE properly calculated its authorized rate of return?

7. Has CEHE calculated its proposed DCRF revenue requirement properly and in accordance with applicable provisions of PUC Subst. R. 25.243?
8. Are CEHE's proposed DCRF rates for each rate class properly calculated and in accordance with applicable provisions of PUC Subst R. 25.243?
9. Has CEHE properly classified distribution costs it seeks to recover through its proposed DCRF as capital expenditures?
10. Are CEHE's proposed weather normalization and rate class growth and class billing determinants properly and reasonably calculated in accordance with applicable provisions of PUC Subst.R. 25.243?
11. Has CEHE calculated its proposed alternative rate of return on invested capital properly and in accordance with PUC Subst.R. 25.243(d)(2)?
12. Are the charges in distribution investments that CEHE requests to recover through its proposed DCRF eligible DCRF expenses?
13. Has CEHE reasonably allocated costs of joint transmission and distribution projects to the distribution function?
12. Has CEHE included any indirectly allocated corporate overhead charges in its DCRF request?
13. Have restoration expenses, insurance proceeds and other extraordinary effects of Hurricane Harvey been properly classified and reflected in CEHE's proposed DCRF?
14. Are the rate case expenses incurred in this docket by CEHE and participating municipalities reasonable and necessary?

This represents a preliminary list of issues. As discovery has only recently commenced, the City reserves the right to address any additional issues arising as a result of discovery or other means.

Respectfully submitted,

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ATTORNEYS FOR THE CITY OF HOUSTON

CERTIFICATE OF SERVICE

I hereby certify that on this 24th day of April, 2018, a true and correct copy of the foregoing document was served upon on all parties of record by email and to the Public Utilities Commission by Federal Express.

/s/ Alton J. Hall, Jr.
Alton J. Hall, Jr.