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APPLICATION OF CENTERPOINT § BEFORE THE STATE OFFICE
ENERGY HOUSTON ELECTRIC, LLC § OF
FOR AUTHORITY TO CHANGE RATES § ADMINISTRATIVE HEARINGS
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**TEXAS INDUSTRIAL ENERGY CONSUMERS' THIRD SET OF
REQUESTS FOR INFORMATION TO CENTERPOINT ENERGY HOUSTON, LLC**

Pursuant to 16 T.A.C. § 22.144, Texas Industrial Energy Consumers ("TIEC") requests that CenterPoint Energy Houston Electric, LLC ("CenterPoint") provide all of the information requested in Exhibit "A" within the time frame specified under the procedural schedule entered in this proceeding.

Pursuant to 16 T.A.C. § 22.144(c)(2), TIEC further requests that answers to the requests for information be made under oath. 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. In producing documents pursuant to this request for information, please indicate the specific request(s) to which the document is being produced. These requests are continuing in nature, and should there be, for any reason, 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 pursuant to 16 T.A.C. § 22.144(i). Please answer each request and sub-request in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the request. TIEC further requests that each item of information be made available as it is completed, rather than upon compilation of all information requested.

All information responsive to the requests on the attached Exhibit "A" should be sent to the following persons via overnight courier, on a piecemeal basis as individual items become available:

Ms. Katherine L. Coleman
Mr. Michael McMillin
Ms. Diane B. Tran
Thompson & Knight LLP
98 San Jacinto Blvd., Suite 1900
Austin, TX 78701
(512) 469.6100
(512) 469.6180 (fax)
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tk.eservice@tklaw.com

DEFINITIONS AND INSTRUCTIONS

A. “CenterPoint” “the Company” or “you” refers to CenterPoint Energy Houston Electric, LLC, and its affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

B. “Applicant” refers to CenterPoint Energy Houston Electric, LLC, and their affiliates, subsidiaries, and any person acting or purporting to act on their behalf, as it relates to the true-up proceeding and related appeals, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

C. The terms “document” or “documents” are used in their broadest sense to include, by way of illustration and not limitation, all written or graphic matter of every kind and description whether printed, produced, reproduced or stored by any process whether visually, magnetically, mechanically, electronically or by hand, whether final or draft, original or reproduction, whether or not claimed to be privileged or otherwise excludable from discovery, and whether or not in your actual or constructive possession, custody, or control. The terms include writings, correspondence, telegrams, memoranda, studies, reports, surveys, statistical compilations, notes, calendars, tapes, computer disks, data on computer drives, e-mail, cards, recordings, contracts, agreements, invoices, licenses, diaries, journals, accounts, pamphlets, books, ledgers, publications, microfilm, microfiche and any other data compilations from which information can be obtained and translated, by you if necessary, into reasonably usable form. The definition includes electronic information that has been deleted. “Document” or “documents” shall also include every copy of a document where the copy contains any commentary or notation of any kind that does not appear on the original or any other copy.

D. Pursuant to Rule 196.4 of the Texas Rules of Civil Procedure, TIEC specifically requests that any electronic or magnetic information (which is included in the definition of “document”) that is responsive to a request herein be produced on CD-ROM in a format that is compatible with Adobe Acrobat, Microsoft, Macintosh and/or Word Perfect and be produced with your response to these requests. If emails are responsive to these requests, please provide a

searchable .pdf copy of the entire email string. Attachments to emails should be provided with the email in searchable .pdf form, unless it is stored in a different format, in which the attachment should be produced in its native format and provided on CD-Rom.

E. The terms “and” and “or” shall be construed both disjunctively and conjunctively as necessary to make the request inclusive rather than exclusive.

F. “Each” shall be construed to include the word “every” and “every” shall be construed to include the word “each.”

G. “Any” shall be construed to include “all” and “all” shall be construed to include “any.”

H. The term “concerning,” or one of its inflections, includes the following meanings: relating to; referring to; pertaining to; regarding; discussing; mentioning; containing; reflecting; evidencing; describing; showing; identifying; providing; disproving; consisting of; supporting; contradicting; in any way legally, logically or factually connected with the matter to which the term refers; or having a tendency to prove or disprove the matter to which the term refers.

I. The term “including,” or one of its inflections, means and refers to “including but not limited to.”

J. Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.

K. The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.

L. If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients of copies, subject matter of the document, and the basis upon which such privilege is claimed.

M. Pursuant to 16 T.A.C. § 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.

N. If the information requested is included in previously furnished exhibits, workpapers, and responses to other discovery inquiries or otherwise, in hard copy or electronic format, please furnish specific references thereto, including Bates Stamp page citations and detailed cross-references.

O. The term “emails” includes the entire email string and all attachments found anywhere within the email string. Please refer to paragraph “D.” regarding specific instructions for producing such items.

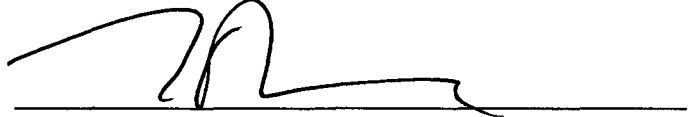
P. “Communications” refers to correspondence of any kind, including emails.

Q. “Identify” and “describe” shall have the meaning set forth below according to the context in which the term is used:

- i. When used in reference to an individual, shall mean to state his or her full name, present or last known residence address, business affiliation and business address, and residence and business telephone number;
- ii. When used in reference to a corporation, shall mean to state its full name, its state of incorporation, its address and its principal place of business;
- iii. When used in reference to any entity other than an individual or corporation, shall mean to state its official name, its organizational form and its address;
- iv. When used in reference to a document, shall mean to state the type of document, date, author, addressee, title, its present location, the name and address of its custodian, and the substance of the contents thereof. In lieu of identifying any document, copies thereof may be furnished; and
- v. When used in reference to a communication, shall mean to state the form of the communication (e.g., telephone conversation, letter, telegram, teletype, telecopy, written memorandum, face to face conversation, or any other form), the date of the communication or the dates on which the communication was sent and/or received if not the same, the parties to the communication, the party who initiated it, the substance of the communication, and the present location and the name and address of the custodian if the communication was non-verbal and/or of any written memorialization of the communication.

Respectfully submitted,

THOMPSON & KNIGHT LLP



Katherine L. Coleman

State Bar No. 24059596

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**ATTORNEYS FOR TEXAS INDUSTRIAL
ENERGY CONSUMERS**

CERTIFICATE OF SERVICE

I, Diane B. Tran, Attorney for TIEC, hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 8th day of May, 2019, by facsimile, electronic mail and/or first Class, U.S. Mail, Postage Prepaid.



Diane B. Tran

EXHIBIT A

**SOAH DOCKET NO. 473-19-3864
PUC DOCKET NO. 49421**

APPLICATION OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC FOR AUTHORITY TO CHANGE RATES	§ § §	BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS
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**TEXAS INDUSTRIAL ENERGY CONSUMERS' THIRD SET OF
REQUESTS FOR INFORMATION TO CENTERPOINT ENERGY HOUSTON, LLC**

- TIEC 3-1** If not already provided in the exhibits, schedules and workpapers supporting the testimonies of Mr. Robert B. Hevert and Mr. Robert B. McRae, please provide all tables and figures in electronic format with all formulas intact. This is an ongoing request for all subsequent testimonies filed by these witnesses.
- TIEC 3-2** Please identify the common equity ratio and return on equity approved in CEHE's last fully litigated rate case for its Texas retail operations.
- TIEC 3-3** Please provide a projection of CEHE's capital expenditures out over the next five years, and an estimate of the sources of cash available to fund these capital expenditures broken out by external debt markets, external equity infusions from the parent company, retained earnings, depreciation expense, and other sources (explain). Please also include in this response the funding planned for debt maturity, retirements and/or refinancing over this same time period.
- TIEC 3-4** Please provide complete copies of all credit reports issued by S&P, Moody's and Fitch Ratings that discuss the current electric utility industry. This request is limited to reports that were issued in the last three years.
- TIEC 3-5** Please provide the most recent senior secured, unsecured and corporate credit ratings of CEHE assigned by S&P, Moody's and Fitch. Also, please provide CEHE's S&P business and financial risk profiles.
- TIEC 3-6** Please provide all copies of all correspondence, presentations and all other materials that CEHE provided to credit and equity analysts over the last two years.
- TIEC 3-7** In an electronic spreadsheet with all formulas intact, please provide the monthly average balances for construction work in progress and short-term debt for the most recent 13-month period.
- TIEC 3-8** In an electronic spreadsheet with all formulas intact, please provide CEHE's five-year projected and five-year historical capital structure, capital expenditures and capital funding.
- TIEC 3-9** Please provide the amount of capitalized interest estimated to be paid during the test year related to construction projects.
- TIEC 3-10** Please state whether CEHE's regulated electric retail operations have any off balance sheet debt such as purchased power agreements and operating leases. If

the answer is “yes,” provide the amount of each off-balance sheet debt item and estimate the related imputed interest and amortization expense associated with these off balance sheet debt equivalents specific to CEHE’s jurisdictional regulated retail electric operations.

- TIEC 3-11** To the extent not already provided, please provide in electronic format with all formulas intact, the calculation of CEHE’s credit metric calculations relied on by Standard and Poor’s and Moody’s.
- TIEC 3-12** Referring to page 22 of Mr. McRae’s testimony, he states that CEHE’s current capital structure is 55%/45% (debt/equity), which is reflected in the Company’s current credit rating. Please provide all credit reports or correspondence with the credit rating agencies discussing CEHE’s capital structure and leverage position and their impact on the Company’s credit metrics.
- TIEC 3-13** Referring to table 5 on page 23 of Mr. McRae’s direct testimony, on an electronic spreadsheet with all formulas intact, please calculate the Company’s financial metrics at its currently authorized capital structure (55%/45%) and its proposed capital structure (50%/50%) under the new tax law. Also, please provide:
- The associated financial statements used to derive the credit metric calculations.
 - A breakdown of all off-balance sheet debt equivalents.
 - The calculations of the FFO/Debt for the period 2014-2021F as shown in table 5 and the associated financial statements supporting these calculations.
- TIEC 3-14** Please provide a detailed explanation of CEHE’s dividend payment and debt financing plans through the test period.
- TIEC 3-15** Do any of CEHE’s outstanding long-term debt issues have call provisions? If the answer is “yes,” please provide a list of the callable issues with the following: a) outstanding balance, b) issuance date, c) maturity date, d) coupon payment percent, e) annual interest expense, and f) call price (as a percent of par).
- TIEC 3-16** Has CEHE performed any debt refinancing feasibility studies on its outstanding debt issues? If the answer is “yes,” please provide the following:
- A detailed description of the results from the study.
 - A detailed description of the conclusions(s) made by CEHE based on the results of the study.
 - All debt refinancing feasibility studies in an electronic spreadsheet with all formulas intact.
- TIEC 3-17** Referring to Mr. Hevert’s direct testimony, please explain in detail Mr. Hevert’s decision not to include a multi-stage DCF model as he has done in prior regulatory proceedings.