



Control Number: 49421



Item Number: 190

Addendum StartPage: 0

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

RECEIVED  
2019 MAY 13 PM 3:31

APPLICATION OF CENTERPOINT § BEFORE THE STATE OFFICE COMMISSION  
ENERGY HOUSTON ELECTRIC, LLC § OF  
FOR AUTHORITY TO CHANGE RATES § ADMINISTRATIVE HEARINGS

May 13, 2019

Contact: Denise Hardcastle  
CenterPoint Energy Houston Electric, LLC  
1111 Louisiana Street  
Houston, Texas 77002  
Tel No: (713) 207-5767  
Fax: (713) 207-9840  
Denise.Hardcastle@CenterPointEnergy.com

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
CenterPoint Energy Houston Electric, LLC's Response to Office of the Public Utility Counsel's Third Requests for Information .....	2-31
Certificate of Service .....	32

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
2019 CEHE RATE CASE  
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**OFFICE OF PUBLIC UTILITY COUNSEL  
REQUEST NO.: OPC03-01**

**QUESTION:**

For each attorney and expert who worked on any of the dockets for which CenterPoint Houston is seeking recovery of rate-case expenses please provide the following:

- a. name;
- b. company or firm name;
- c. hourly billing rate;
- d. type of service provided (legal, expert witness, accounting, etc.);
- e. Docket No.(s) on which the person worked; and
- f. total amount of time spent working on each docket.

**ANSWER:**

Please see attached OPC03-01 Attachment 1.pdf for the names, companies or firms, hourly billing rates, type of service provided, and Docket Nos. regarding the attorneys and outside consultants that have worked on the dockets for which CenterPoint Houston is seeking the recovery of rate case expenses.

Please refer to CEHE RFP Workpaper MFR-05 and please also see OPC03-04 Items 6104-6154 Invoices Attachment 1 for information relating to the amount of time spent by attorneys or consultants working on the dockets for which CenterPoint Houston is seeking recovery of rate case expenses.

CenterPoint Houston will supplement this response with 2019 rate information and invoices, as they become available.

**SPONSOR (PREPARER):**

Kristie Colvin/Myles Reynolds/Michelle Townsend (Kristie Colvin/Myles Reynolds/Michelle Townsend)

**RESPONSIVE DOCUMENTS:**

OPC03-01 Attachment 1.pdf

**CHART OF ATTORNEY HOURLY BILLING RATES  
FOR DOCKET NO. 49421**

<b>Law Firm</b>	<b>Name</b>	<b>Hourly Billing Rate</b>
Baker Botts LLP	Joyce Banks	\$437.00
	Jim Barkley	\$770.00 (2017) \$717.00 (2018)
	Thor N. Fielland	\$437.00
	Ashley Garvey	\$323.00
	Leah Burcat Hastings	\$497.00
	Richard Husseini	\$959.00
	Bill Kroger	\$798.00
	Megan McElvy	\$645.00
	Jon Nelsen	\$645.00
	Christine Ng	\$546.00 (2017) \$513.00 (2018)
	Leah Davis Patrick	\$591.00
	Andrea Stover	\$500.00 (2017) \$600.00 (2018)
Coffin Renner LLP	Glenn Adkins	\$280.00
	Emma Azarani	\$188.00
	Ann Coffin	\$560.00
	Evan Johnson	\$365.00
	Gene Montes	\$415.00
	Kate Norman	\$415.00
	Mark Santos	\$455.00
Reed Smith LLP	Colette Honorable	\$695.00 (2018) \$735.00 (2019)
	Justin Mirabal	\$485.00
	Debra Ann Palmer	\$665.00
	Regina Speed-Bost	\$695.00
	Lauren Damen	\$395.00
Winstead PC	Leila Melham	\$310.00
	Ron Moss	\$405.00
	Kristina Rollins	\$400.00

**CHART OF ATTORNEY HOURLY BILLING RATES  
FOR DOCKET NO. 48226**

<b>Law Firm</b>	<b>Name</b>	<b>Hourly Billing Rate</b>
Coffin Renner LLP	Glenn Adkins	\$280.00
	Emma Azarani	\$188.00
	Ann Coffin	\$560.00
	Kate Norman	\$415.00
	Mark Santos	\$455.00

**CHART OF ATTORNEY HOURLY BILLING RATES  
FOR DOCKET NO. 47364**

<b>Law Firm</b>	<b>Name</b>	<b>Hourly Billing Rate</b>
Parsley Coffin Renner LLP	Emma Azarani	\$175.00
	Ann Coffin	\$525.00
	Justin Roberts	\$245.00
	Mark Santos	\$410.00

**CHART OF ATTORNEY HOURLY BILLING RATES  
FOR DOCKET NO. 47032**

<b>Law Firm</b>	<b>Name</b>	<b>Hourly Billing Rate</b>
Parsley Coffin Renner LLP	Emma Azarani	\$175.00
	Ann Coffin	\$525.00
	Evan Johnson	\$325.00
	Justin Roberts	\$250.00
	Kate Norman	\$375.00
	Mark Santos	\$425.00

**CHART OF ATTORNEY HOURLY BILLING RATES  
FOR DOCKET NO. 45747**

<b>Law Firm</b>	<b>Name</b>	<b>Hourly Billing Rate</b>
Baker Botts LLP	Joyce Banks	\$466.00
	Jim Barkley	\$770.00
	Andrea Stover	\$500.00



**CHART OF ATTORNEY HOURLY BILLING RATES  
FOR DOCKET NO. 38339**

<b>Law Firm</b>	<b>Name</b>	<b>Hourly Billing Rate</b>
Baker Botts LLP <sup>1</sup>	Jim Barkley	\$600.00 (2011)
		\$650.00 (2012)
		\$675.00 (2013)
	Sheila Bickel	\$240.00 (2012)
		\$250.00 (2015)
	Leslie Buenzow	\$240.00 (2012)
	Jennifer Caughey	\$425.00 (2012)
	Edward Cotrell	\$325.00 (2011)
	Richard Hussein	\$750.00 (2011)
		\$800.00 (2012)
		\$850.00 (2013)
		\$900.00 (2015)
	Mark Jackson	\$200.00 (2011)
	Alfonso Juarez	\$125.00 (2011)
	Mark David Kusey	\$250.00 (2015)
	William Kroger	\$750.00 (2013)
	Mark Little	\$525.00 (2015-16)
	Megan McElvy	\$275.00 (2012)
	Jared Thomas Meier	\$275.00 (2012)
	Adam A. Milasincic	\$275.00 (2012)
	Cynthia Montalvo	\$125.00 (2012)
	David Levi Morris	\$300.00 (2013)
	Ryan Morris	\$350.00 (2012)
		\$450.00 (2013)
	Jon Benjamin Nelsen	\$400.00 (2011)
		\$500.00 (2012)
		\$525.00 (2013)
	Adam Phelps	\$250.00 (2015)
	Richard Pravata	\$150.00 (2015)
	Ellen Dixon Reeder	\$240.00 (2012)
	Rachel Suson	\$125.00 (2011-12)
	Macey Stokes Reasoner	\$650.00 (2011)
		\$675.00 (2012)
		\$700.00 (2013)
		\$725.00 (2015)
		\$736.00 (2016)
		\$760.00 (2017)

<sup>1</sup> From December 2011 through July 2011 Baker Botts LLP charged a blended rate of \$495.00 for work done for the rate case in Docket No. 38339.

Law Firm	Name	Hourly Billing Rate
Baker Botts LLP (cont.)		
	Anika Stucky	\$400.00 (2011) \$425.00 (2012)
	Stacy Tucker	\$125.00 (2011)
	Leigh Whiting	\$135.00 (2012) \$150.00 (2015)
	Jane M. Whittlesey	\$125.00 (2011-12) \$150.00 (2015)
Graves Dougherty Hearon & Moody, P.C.	Lauren D. Damen	\$200.00 (2012)
	Thomas B. Hudson, Jr.	\$375.00 (2011) \$400.00 (2012)
	Lisa P. Houston	\$130.00 (2012)
	Mary A. Keeney	\$425.00 (2012)
	Ron Moss	\$390.00 (2011)
	Gail Nelms	\$130.00 (2012)
	Pete M. Schenkkan	\$550.00 (2011-12)
	Jan E. Smith	\$100.00 (2012)
	Andrea M. Stover	\$270.00 (2011) \$290.00 (2012)
	Michael J. Whellan	\$385.00 (2011) \$395.00 (2012)
Miller Chevalier Chartered	James Warren	\$770.00
Parsley Coffin Renner LLP	Emma Azarani	\$150.00 (2010-11) \$160.00 (2012)
	Ann Coffin	\$425.00 (2010-11) \$475.00 (2012)
	Evan Johnson	\$250.00 (2012)
	Dane McKaughan	\$320.00 (2010-11) \$375.00 (2012)
	Kate Norman	\$250.00 (2010-11) \$300.00 (2012)
	Julie Parsley	\$450.00 (2010-11) \$475.00 (2012)
	Mark Santos	\$290.00 (2010-11) \$335.00 (2012)
	Debora Waddell	\$225.00 (2010-11)
Winstead PC	Carrie Collier-Brown	\$255.00
	Linda Glover	\$365.00
	Kristin E. Kruse	\$300.00
	Ron Moss	\$390.00

**CHART OF CONSULTANT HOURLY BILLING RATES  
FOR DOCKET NO. 49421**

<b>Firm</b>	<b>Name</b>	<b>Position</b>	<b>Hourly Billing Rate</b>
Alliance Consulting Group	Dane Watson	Partner	\$260.00
	Karen Ponder	Senior Consultant	\$185.00
	Rebecca Richards	Senior Consultant	\$185.00
	Rhonda Watts	Senior Consultant	\$185.00
	Alan Ponder	Consultant/Admin.	\$65.00
	Teresa Stewart	Consultant/Admin.	\$65.00
Concentric Energy Advisors, Inc.	John J. Reed	Chairman and Chief Executive Officer	\$850.00
	Michael Adams	Senior Vice President	\$600.00
	N/A	Vice President	\$545.00
	N/A	Assistant Vice President	\$440.00
	N/A	Senior Project Manager	\$395.00
	Bickey Rimal	Project Manager	\$370.00
	N/A	Senior Consultant	\$345.00
	N/A	Consultant	\$320.00
	Isabella Beerli	Senior Analyst	\$295.00
	Peter Hoegler	Analyst	\$250.00
	N/A	Associate	\$165.00
	Connie Singer	Project Assistant	\$75.00
Hunton Andrews Kurth LLP	Myles Reynolds	Partner	\$615.00
	Lauren Freeland	Senior Associate	\$455.00
	Shannon Bonn	Junior Associate	\$305.00
	Caroline Baxter	Paralegal	\$180.00
Itron, Inc.	John Stuart	Senior Director	\$350.00
	N/A	Senior Principal Consultant	\$300.00
	N/A	Principal Consultant	\$250.00
	N/A	Senior Analyst	\$200.00
	N/A	Analyst	\$180.00
Lewis & Ellis, Inc.	Gregory S. Wilson	FCAS Principal	\$475.00
	N/A	Actuarial Associate	\$175.00
	N/A	Administrative Work	\$85.00
PricewaterhouseCoopers LLP	Rich Call	Partner	\$720.00
	Christopher Lorenz	Managing Director	\$540.00
	N/A	Director	\$520.00– \$560.00
	Lauren VerBerkmoes	Senior Manager	\$450.00
	N/A	Manager	\$340.00–360.00
	Anthony Pabillano	Senior Associate	\$250.00

Firm	Name	Position	Hourly Billing Rate
	N/A	Tax Senior Associate	\$300.00– \$325.00
	N/A	Associate	\$145.00– \$185.00
	N/A	Tax Associate	\$200.00– \$250.00
	Greyson Fisher	Staff	\$150.00
	Marissa Bartkowski	Staff	\$150.00
	Colin Kirchof	Staff	\$150.00
	Joseph Khalaf	Staff	\$150.00
	Emmanuel Santibanez	Staff	\$150.00
	Chioma Udora	Staff	\$150.00
ScottMadden, Inc.	Robert Hervert	Partner	\$450.00
	Timothy Lyons	Partner	\$450.00
	Jennifer Nelson	Director	\$345.00
	Keith Magee	Director	\$345.00
	David Chong	Director	\$345.00
	Adam Perry	Manager	\$320.00
	Talha Sheikh	Senior Associate	\$280.00
	Josh Kaushansky	Senior Associate	\$280.00
	Matthew Howard	Associate	\$235.00
	Ryan Kucan	Senior Analyst	\$150.00
	Tara Mou	Analyst	\$125.00
	Sara Derstine	Administrative Assistant	\$65.00
	N/A	Other Analysts	\$125.00

**CHART OF CONSULTANT HOURLY BILLING RATES  
FOR DOCKET NO. 48226**

[Blank]

**CHART OF CONSULTANT HOURLY BILLING RATES  
FOR DOCKET NO. 47364**

<b>Firm</b>	<b>Name</b>	<b>Position</b>	<b>Hourly Billing Rate</b>
PricewaterhouseCoopers LLP	Al Felsenthal	Managing Director	\$475.00
	Christopher Lorenz	Managing Director	\$475.00
	Cynthia Lorie	Director	\$425.00
	Christopher Murphy	Staff	\$275.00
	Anthony Padilla	Staff	\$275.00
	Bryan Rucker	Staff	\$275.00

**CHART OF CONSULTANT HOURLY BILLING RATES  
FOR DOCKET NO. 47032**

<b>Firm</b>	<b>Name</b>	<b>Position</b>	<b>Hourly Billing Rate</b>
PricewaterhouseCoopers LLP	Anthony Calteka	Principal	\$525.00
	Al Felsenthal	Managing Director	\$475.00
	Christopher Lorenz	Managing Director	\$475.00
	Cynthia Lorie	Director	\$425.00
	Brett Bisago	Director	\$425.00
	Richard Gibbs	Staff	\$275.00
	Rida Hasan	Staff	\$275.00
	Helley Hernandez	Staff	\$275.00
	Richard Gibbs	Staff	\$275.00
	Bryan Rucker	Staff	\$275.00

**CHART OF CONSULTANT HOURLY BILLING RATES  
FOR DOCKET NO. 45747**

[Blank]



**CHART OF CONSULTANT HOURLY BILLING RATES  
FOR DOCKET NO. 38339**

<b>Firm</b>	<b>Name</b>	<b>Position</b>	<b>Hourly Billing Rate</b>
Alliance Consulting Group	Dane Watson	Partner	\$200.00
	Karen Ponder	Senior Consultant	\$150.00
Expergy Generating Solutions	Jay Joyce	President	\$225.00
Porter & Hedges, L.L.P	Daniel K. Hedges	Partner	\$550.00
	Jamie R. Macklin-Stafford	Legal Assistant	\$125.00
Power Plan Consultants	Timothy Zeldenrust	Director	\$390.00

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
2019 CEHE RATE CASE  
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**OFFICE OF PUBLIC UTILITY COUNSEL  
REQUEST NO.: OPC03-02**

**QUESTION:**

For each internal employee, including employees of Service Company and CERC, who provided services for which CenterPoint Houston seeks recovery in this case as part of its rate-case expenses, please provide the following:

- a. name;
- b. job description;
- c. salary;
- d. benefit and payroll tax amounts;
- e. the portion of their salary and benefit amounts that CenterPoint requested to recover in the rate case; and
- f. Docket No.(s) the person worked on.

**ANSWER:**

CenterPoint Houston is not seeking to recover through rate case expenses, the salary and benefits of internal employees. However, CenterPoint Houston is seeking to recover through rate case expenses, overtime payments made to non-exempt employees who worked on rate case proceedings. Please refer to OPC03-02 Attachment 1.xlsx for the requested information. Column D reflects the requested overtime amounts.

**The attachment OPC03-02 Attachment 1.xlsx is confidential and is being provided pursuant to the Protective Order issued in Docket No. 49421.**

**SPONSOR (PREPARER):**

Kristie Colvin/Myles Reynolds/Michelle Townsend (Kristie Colvin/Myles Reynolds/Michelle Townsend)

**RESPONSIVE DOCUMENTS:**

OPC03-02 Attachment 1.xlsx

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
2019 CEHE RATE CASE  
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**OFFICE OF PUBLIC UTILITY COUNSEL  
REQUEST NO.: OPC03-03**

**QUESTION:**

For each docket for which CenterPoint Houston is seeking recovery of rate-case expenses, please provide the total amount of expenses incurred for:

- a. lodging;
- b. meals and beverages; and
- c. transportation (airfare, car rentals, Uber/Lyft/cabs, etc.).

**ANSWER:**

CenterPoint Houston does not track costs in the categories requested. Please see the four categories: "1) Business Meals, 2) Employee Travel, 3) Park/In-town Travel, and 4) Purch Veh Fuel Exp" in the following workpapers:

WP II-E-4.1.2.1a and WP II-E-4.1.2.1b (Expenses from Docket No. 38339)  
WP II-E-4.1.2.2a AMS and WP II-E-4.1.2.2c (Expenses from Docket No. 47364)  
WP II-E-4.1.2.3a 2016DCRF and WP II-E-4.1.2.3c (Expenses from Docket No. 45747)  
WP II-E-4.1.2.4a 2017DCRF and WP II-E-4.1.2.4c (Expenses from Docket No. 47032)  
WP II-E-4.1.2.5a 2018DCRF and WP II-E-4.1.2.5c (Expenses from Docket No. 48226)  
WP II-E-4.5.1a and WP II-E-4.5.1b (Expenses for Docket No. 49421)

**SPONSOR (PREPARER):**

Kristie Colvin/Myles Reynolds/Michelle Townsend (Kristie Colvin/Myles Reynolds/Michelle Townsend)

**RESPONSIVE DOCUMENTS:**

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
2019 CEHE RATE CASE  
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**OFFICE OF PUBLIC UTILITY COUNSEL  
REQUEST NO.: OPC03-04**

**QUESTION:**

Referencing the response to OPUC 3-3, please identify what portion of the total expenses incurred for lodging, meals and beverages, and transportation in the current rate case were incurred on or after January 1, 2019, and provide the receipts, invoices, or other documents supporting those expenses.

**ANSWER:**

Please see *OPC03-04 Items 6104-6154 Invoices Attachment 1.pdf* and *OPC03-04 2019 Incurred RCE Attachment 2.xlsx* which summarizes all rate case expenses incurred between January 1, 2019 and March 31, 2019 in the current rate case.

**The requested information is voluminous and will be provided to the propounding party only in electronic format on CD. Please contact Alice Hart at (713) 207-5322 to request a copy of the CD. Please see index of voluminous material below.**

Date	Title	Preparer	Page NO (S)
	<b>OPC03-04 Items 6104-6154 Invoices Attachment 1</b>		
11/14/2018	Item 6104 Coffin Renner Invoice	Colvin	1-5
12/6/2018	Item 6105 Reed Smith Invoice	Colvin	6-8
12/21/2018	Item 6106 ScottMadden Invoice	Colvin	9-11
12/31/2018	Item 6107 ScottMadden Invoice	Colvin	12-16
12/30/2018	Item 6108 Alliance Consulting Group Invoice	Colvin	17-21
1/16/2019	Item 6109 Concentric Energy Advisors Invoice	Colvin	22-24
Undated	Item 6110 Adecco Invoice	Colvin	25-26
1/17/2019	Item 6111 Itron Invoice	Colvin	27-28
1/16/2019	Item 6112 Company Expense	Colvin	29-33
1/25/2019	Item 6113 Company Expense	Colvin	34-38
1/25/2019	Item 6114 Company Expense	Colvin	39-42
1/17/2019	Item 6115 Company Expense	Colvin	43-46
1/25/2019	Item 6116 Company Expense	Colvin	47-50
Undated	Item 6117 Company Expense	Colvin	51-57
1/24/2019	Item 6119 ScottMadden Invoice	Colvin	58-61
1/24/2019	Item 6120 ScottMadden Invoice	Colvin	62-64
2/12/2019	Item 6121 Hunton Andrews Kurth Invoice	Colvin	65-70
2/12/2019	Item 6122 Concentric Energy Advisors Invoice	Colvin	71-73
1/31/2019	Item 6123 Alliance Consulting Group Invoice	Colvin	74-79
Undated	Item 6124 Adecco Invoice	Colvin	80-81
Undated	Item 6125 Company Expenses	Colvin	82-86
Undated	Item 6126 Company Expenses	Colvin	87-91
12/4/2018	Item 6127 Winstead Invoice	Colvin	92
12/13/2018	Item 6128 Coffin Renner Invoice	Colvin	93-98
1/7/2019	Item 6129 Winstead Invoice	Colvin	99

12/17/2018	Item 6130 Baker Botts Invoice	Colvin	100-106
1/11/2019	Item 6131 Reed Smith Invoice	Colvin	107-109
1/15/2019	Item 6132 Baker Botts Invoice	Colvin	110-113
1/16/2019	Item 6133 Coffin Renner Invoice	Colvin	114-117
2/6/2019	Item 6134 Reed Smith Invoice	Colvin	118-120
2/26/2019	Item 6135 Lewis & Ellis Invoice	Colvin	121-123
2/28/2019	Item 6136 ScottMadden Invoice	Colvin	124-126
2/27/2019	Item 6137 ScottMadden Invoice	Colvin	127-130
2/28/2019	Item 6138 Alliance Consulting Group Invoice	Colvin	131-136
3/11/2019	Item 6139 Lewis & Ellis Invoice	Colvin	137-139
3/15/2019	Item 6140 Hunton Andrews Kurth Invoice	Colvin	140-147
3/22/2019	Item 6141 ScottMadden Invoice	Colvin	148-152
Undated	Item 6142 Adecco Invoice	Colvin	153-154
Undated	Item 6143 Company Expenses	Colvin	155-160
3/12/2019	Item 6144 Company Expenses	Colvin	161-169
Undated	Item 6145 Ardmore Power Logistics Invoice	Colvin	170
Undated	Item 6146 Ardmore Power Logistics Invoice	Colvin	171
3/26/2019	Item 6147 Company Expenses	Colvin	172-183
3/19/2019	Item 6148 Company Expenses	Colvin	184-185
2/12/2019	Item 6149 Company Expenses	Colvin	186-196
2/24/2019	Item 6150 Company Expenses	Colvin	197-203
3/7/2019	Item 6151 Company Expenses	Colvin	204-208
3/25/2019	Item 6152 Company Expenses	Colvin	209-212
3/15/2019	Item 6153 Company Expenses	Colvin	213-223
Undated	Item 6154 Company Expenses	Colvin	224
Undated	<b>OPC03-04 2019 Incurred RCE Attachment 2</b>	Colvin	1-15

**SPONSOR (PREPARER):**

Kristie Colvin/Myles Reynolds/Michelle Townsend (Kristie Colvin/Myles Reynolds/Michelle Townsend)

**RESPONSIVE DOCUMENTS:**

OPC03-04 Items 6104-6154 Invoices Attachment 1.pdf  
OPC03-04 2019 Incurred RCE Attachment 2.xlsx

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
2019 CEHE RATE CASE  
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**OFFICE OF PUBLIC UTILITY COUNSEL  
REQUEST NO.: OPC03-05**

**QUESTION:**

Referencing the Direct Testimony of Myles F. Reynolds at page 30, please provide a list of all task codes, project codes, billing codes, or other identifiers used to categorize and track rate-case expenses along with a description of the costs included in each code and the specific issue(s) in the rate case included in each code.

**ANSWER:**

CenterPoint Houston identifies rate case expense issues from the descriptions of work performed included in outside counsels' and consultants' invoices in conjunction with the identified issues for which the specific attorneys and the consultants are assigned.

Please see *OPC03-05 Internal Orders Attachment 1.xlsx* for a list of internal orders.

Please refer to CEHE RFP *Workpaper MFR-05* and please see *OPC03-04 Items 6104-6154 Invoices Attachment 1.pdf* for outside counsel and consultant invoices. Please also refer to CEHE RFP *Workpaper MFR-02* for witness assignments and outside counsel and consultant engagement letters. Please also see the response to OPUC 3-6.

**SPONSOR (PREPARER):**

Kristie Colvin/Myles Reynolds/Michelle Townsend (Kristie Colvin/Myles Reynolds/Michelle Townsend)

**RESPONSIVE DOCUMENTS:**

OPC03-05 Internal Orders Attachment 1.xlsx

**Internal orders to defer rate case expenses for recovery.**

**Docket No. 47364**

11036024 Reg to AMS Recon Filing 2017-Deferred  
11038341 Legal to 2017 AMS Recon Filing

**Docket No. 45747**

11036062 Legal to 2016 PRA Filing  
11037043 Reg to CEHE TDU DCRF 2016-Deferred  
11037761 Finance to CEHE TDU DCRF-2016

**Docket No. 47032**

11036063 Legal to 2017 PRA Filing  
11038360 Reg to CEHE TDU DCRF 2017-Deferred  
11039101 Finance to CEHE TDU DCRF-2017 DEF

**Docket No. 48226**

11036064 Legal to 2018 PRA Filing  
11039540 Reg to CEHE TDU DCRF 2018-Def  
11040340 Finance to CEHE TDU DCRF-2018 DEF

**Docket No. 38339**

11027640 Finance to CEHE Rate Case - Deferred  
11031141 AMIN Reliant Cap-Sys Func EAI  
11031441 Reg to CEHE TDU Rate Case 2010  
11031623 Legal to 2010 CEHE Rate Case  
11033267 Legal to 2013 CEHE Rate Case-DEF  
13072805 2010 Rate Case

**Docket No. 49421**

11036963 Legal to 2019 CEHE Rate Case - CAP  
11037046 Reg to CEHE-TDU Rate Case 2019-2020- Def  
11040160 Finance to CEHE-TDU Rate Case 2019-2020  
11040161 Finance to CEHE-TDU Rate Case Overtime C  
13091323 TDU Rate Case - 2019

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
2019 CEHE RATE CASE  
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**OFFICE OF PUBLIC UTILITY COUNSEL  
REQUEST NO.: OPC03-06**

**QUESTION:**

Please explain CenterPoint Houston's policy for assigning expenses to the codes or other identifiers listed in response to OPUC 3-5. Please provide any related written policies and supporting documentation.

**ANSWER:**

CenterPoint Houston's expectations regarding outside consultants' and outside counsels' tracking of time spent on rate case issues is included in each law firm's or outside consultant's engagement letter and, for internal expenses, in CenterPoint Houston's general expense policies. CenterPoint Houston includes a provision in all of its engagement letters with law firms that requires them to provide detail in the invoices to satisfy the RCE Rule. Outside consultants are responsible for discrete issues. Therefore, expenses associated with those issues are readily identifiable.

Please see *OPC03-06 Accounting Rate Case Policy Attachment 1.pdf* for accounting and control policies.

Please refer to CEHE RFP *Workpaper MFR-01* for CenterPoint's *General Expense and Reimbursement Policy* and refer to CEHE RFP *Workpaper MFR-02* for outside counsel and consultant engagement letters.

**SPONSOR (PREPARER):**

Kristie Colvin/Myles Reynolds/Michelle Townsend (Kristie Colvin/Myles Reynolds/Michelle Townsend)

**RESPONSIVE DOCUMENTS:**

OPC03-06 Accounting Rate Case Policy Attachment 1.pdf





**Accounting and Control Policies**

**Policy Number: 25**

**Rate Case Costs Policy**

**Policy** Recoverable incremental rate case costs (rate case costs) in support of rate case preparation, defense and litigation shall be deferred for recovery when the Company believes that recovery is probable and the Entity is qualified to account for regulatory assets and liabilities under Statement of Financial Accounting Standards (SFAS) No. 71, "Accounting for the Effects of Certain Types of Regulation."

Departments incurring rate case costs will maintain documentation of all costs and will provide this data as needed upon request.

**Purpose** The purpose of this Rate Case Costs Policy is to document the requirements for handling rate case costs. Adherence to this Policy is designed to:

- Provide support to ensure a reasonable opportunity to recover costs incurred in support of regulated rate proceedings
- Define expectations for communication of information to facilitate proper cost deferral
- Ensure financial integrity by requiring appropriate documentation for and review of deferred rate case costs

**Responsibilities** This table lists the responsibilities for this Policy:

Position	Responsibility
Business Unit	<ul style="list-style-type: none"> <li>• Coding costs for the preparation of rate cases in accordance with communication from the Rates &amp; Regulatory Department</li> <li>• Preparing budgets that support rate case costs</li> <li>• Contemporaneously capturing documentation of rate case costs</li> <li>• Processing receipts for rate case related costs of employees through OnePay</li> </ul>
Chief Accounting Officer / Controller	<ul style="list-style-type: none"> <li>• Administering this Policy</li> </ul>
General Accounting Manager	<ul style="list-style-type: none"> <li>• Setting up the internal orders to capture rate case costs upon request from the Rates &amp; Regulatory Department</li> <li>• Ensuring affiliated entities appropriately charge costs to the internal orders following affiliate transaction requirements</li> <li>• Determining the proper expense accounts to use and transferring deferred costs that are deemed unrecoverable from the internal orders to expense upon notification from Regulatory Reporting</li> </ul>

*Continued on next page*



**Accounting and Control Policies**

**Policy Number: 25**

**Rate Case Costs Policy, Continued**

**Responsibilities continued**

<b>Position</b>	<b>Responsibility</b>
<b>Rates &amp; Regulatory Department</b>	<ul style="list-style-type: none"> <li>• Communicating the need for revisions to this policy based on changes in regulations</li> <li>• Preparing budgets of rate case costs and securing engagement letters from outside counsel and experts in accordance with the provisions of the Retention of Outside Professionals category of the CenterPoint Energy, Inc. <b>Authorization Policy</b> (Policy #01)</li> <li>• Requesting the internal orders from General Accounting for each filing or regulatory proceeding</li> <li>• Providing instruction to the various departments that will be coding costs to rate case internal orders on: <ul style="list-style-type: none"> <li>○ the types of costs to be deferred and the specific internal orders to use, and</li> <li>○ the requirement of using OnePay to store copies of receipts for employee costs charged to the internal order.</li> </ul> </li> <li>• Scheduling and reviewing filings for recovery of these costs</li> <li>• Sponsoring testimony in support of recovery of rate case costs</li> <li>• Ensuring that the recovery of rate case costs is addressed in stipulations and orders</li> </ul>
<b>Regulatory Reporting</b>	<ul style="list-style-type: none"> <li>• Reviewing costs charged to the internal orders to determine whether the costs meet the requirements for recovery and, if not, instructing General Accounting to reclassify such costs to expense</li> <li>• Responding to requests for information concerning rate case costs</li> <li>• Reviewing supporting documentation on a contemporaneous basis</li> <li>• Preparing filings, workpapers and testimony as requested by the Rates &amp; Regulatory Department</li> <li>• Ensuring affiliated entities appropriately charge costs to the internal orders following Regulatory Authority affiliate transaction requirements</li> </ul>

*Continued on next page*



Accounting and Control Policies

Policy Number: 25

**Rate Case Costs Policy, continued**

**Definitions** This table provides definitions of terms used in this policy:

Term	Definition
Business Unit	The functional operating area that maintains and reports operating financial information
Company	CenterPoint Energy, Inc.
Incremental Rate Case Costs	Costs incurred over and above normal costs as defined below in preparing, defending and litigating regulated rate proceedings. This includes both internal and external (i.e. consultants) expenditures.
Internal Order	Temporary cost collectors that are used to track costs. Can be set up to settle to expense or to defer costs to the balance sheet.
Normal costs	Costs that are incurred by the rate regulated entity whether or not in a rate case proceeding (also known as recurring) that are included in rates of that entity. For example, ongoing payroll costs of an organization that normally charges to and supports a rate-regulated entity will not charge these costs to the rate case internal order. However, should that organization incur overtime expense in support of the rate case, those costs will be included in the rate case internal order. Costs may be labor, travel, reproduction expense, meals, and hotels. Capitalizable assets are usually not included as rate case costs. Costs not recoverable by company policy or regulator disallowance shall be excluded. An example of non-recoverable costs is entertainment costs, unless the entertainment is for business purposes and such expenses are allowed by Company policy and/or the regulators.
OnePay	The Company-wide integrated process for handling general expenses and reimbursement
Rates & Regulatory Department	The Department responsible for preparing and filing rate recovery proceedings
Recoverable Costs	Costs for the preparation, defense and litigation of a rate case that are properly deferred for recovery in a rate proceeding
Regulatory Reporting	The Department responsible for preparing regulatory accounting data submitted to regulatory authorities that govern the Entities' rates
Request for Information (RFI'S)	Outside parties' requests for information from the Company

*Continued on next page*



Accounting and Control Policies

Policy Number: 25

**Rate Case Costs Policy, continued**

**How Rate Case Costs Are Handled** This table describes how rate case costs are handled:

When ...	Then ...
Decision is made to initiate or Entity is required to file a rate proceeding in a particular jurisdiction	<ul style="list-style-type: none"> <li>• Prepare budget of rate case costs and secure engagement letters from outside counsel and experts</li> <li>• Set up internal orders to track rate case costs</li> </ul>
Setting up Internal Order	<ul style="list-style-type: none"> <li>• Rates and Regulatory Department contacts General Accounting Manager to set up internal order(s) associated with upcoming rate proceeding</li> <li>• Internal order(s) are set up by the respective Master Data Coordinator in General Accounting</li> </ul> <p><b>Note:</b> Internal orders will be set up to clear each month to Natural Account 179xxx (for FERC purposes the amounts should be charged to FERC Acct. 182.3xxx (Regulatory Assets)).</p>
Once the internal orders are set up communication to the appropriate parties is required	<ul style="list-style-type: none"> <li>• Rates and Regulatory Department communicates the internal order numbers and guidance on proper use to departments involved in the rate case and the applicable General Accounting Manager. Communication includes the requirement of processing employee expenses posted to the internal order through OnePay.</li> </ul>
Costs in the rate case internal orders need to be monitored	<ul style="list-style-type: none"> <li>• Regulatory Reporting reviews the costs within the internal order monthly</li> </ul>
If costs are determined to be Non Recoverable – either through review or regulators' disallowance	<ul style="list-style-type: none"> <li>• The deferred costs that are disallowed or determined non-recoverable shall be removed from the 179xxx account and expensed. Disallowances are to be recorded below the line to general ledger account 522160. The applicable General Accounting Manager shall determine proper coding for other transactions.</li> </ul>

*Continued on next page*



Accounting and Control Policies

Policy Number: 25

## Rate Case Costs Policy, continued

**Documentation** The Business Units are responsible for proper documentation of costs charged as rate case expense. Documentation for employee reimbursements must be processed through OnePay.

Documentation of third-party expenses incurred in support of regulatory proceedings must be readily available for reproduction and filing with the regulatory bodies.

**Compliance** All employees must comply with this policy. Failure to comply with this Policy may result in disciplinary action up to and including termination.

## Document History

**Introduction** This policy was implemented in December 2004.

**Document history** Below are at least the last three revisions of this document, including all revisions within the last three months.

Date	By	Description
5/2008	Director Accounting Policy & Research	Modify Purpose, revise Responsibilities and reference OnePay

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
2019 CEHE RATE CASE  
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**OFFICE OF PUBLIC UTILITY COUNSEL  
REQUEST NO.: OPC03-07**

**QUESTION:**

For each code or other identifier listed in response to OPUC 3-5, provide the total amount of rate-case expenses CenterPoint Houston has incurred under that code in connection with the current rate case, identify what portion of the total was incurred on or after January 1, 2019, and provide the receipts, invoices, or other documents supporting those amounts.

**ANSWER:**

This calculation has not been completed. Please refer to CEHE RFP *Workpaper MFR-05* and *WP II-E-4.5.1a and WP II-E-4.5.1b* for expenses incurred in this case before January 1, 2019. Please see *OPC03-04 Items 6104-6154 Invoices Attachment 1* and *OPC03-04 2019 Incurred RCE Attachment 2* for expenses incurred in this case for the period January 1, 2019, through March 31, 2019.

**SPONSOR (PREPARER):**

Kristie Colvin/Myles Reynolds/Michelle Townsend (Kristie Colvin/Myles Reynolds/Michelle Townsend)

**RESPONSIVE DOCUMENTS:**

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
2019 CEHE RATE CASE  
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**OFFICE OF PUBLIC UTILITY COUNSEL  
REQUEST NO.: OPC03-08**

**QUESTION:**

Please provide the total rate-case expenses incurred on or after January 1, 2019, in connection with the current rate case that are not already included in the responses to OPUC 3-3 or 3-7 and provide all receipts, invoices, or other documents supporting those expenses.

**ANSWER:**

Please see *OPC03-04 Items 6104-6154 Invoices Attachment 1* and *OPC03-04 2019 Incurred RCE Attachment 2* for expenses incurred for the period January 1, 2019 through March 31, 2019.

**SPONSOR (PREPARER):**

Kristie Colvin/Myles Reynolds/Michelle Townsend (Kristie Colvin/Myles Reynolds/Michelle Townsend)

**RESPONSIVE DOCUMENTS:**

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
2019 CEHE RATE CASE  
DOCKET 49421-SOAH DOCKET NO. 473-19-3864**

**OFFICE OF PUBLIC UTILITY COUNSEL  
REQUEST NO.: OPC03-09**

**QUESTION:**

Please provide the hourly billing rates for all outside legal counsel that CenterPoint Houston has used in connection with proceedings before the Public Utility Commission of Texas from 2012 to the present and identify whether the rates were discounted rates.

**ANSWER:**

Per agreement with counsel, CenterPoint has been granted an extension until Friday, May, 17, 2019.


**SPONSOR (PREPARER):**  
Shane Kimzey

**RESPONSIVE DOCUMENTS:**  
None



### **CERTIFICATE OF SERVICE**

I hereby certify that on this 13<sup>th</sup> day of May 2019, a true and correct copy of the foregoing document was served on all parties of record in accordance with 16 Tex. Admin. Code § 22.74.

  
\_\_\_\_\_

**CD ('S)**

**ATTACHED**

**PLEASE CONTACT CENTRAL RECORDS**

**512-936-7180**