

# Human Resources – Recruitment Strategy

## Cost Center 125171

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### Major activities:

General activities and costs to support the Recruiting, Hiring, & Deploying group, such as salaries for department employees.

Outside Service Fees and travel costs relating to recruiting.

Candidate Sourcing

Recruiting Strategy Development

Identifying and recruiting experienced hires (exempt & non-exempt)

Advertising

Posting positions internally and externally (ATS system, job boards, professional networks/organizations, social media, etc.)

Conducting interviews at company sites

Career Fairs (i.e. diversity groups, military events, Houston Chronicle, etc.)

Prepare offer in consultation with manager (compensation, relocation, sign-on bonus, other agreements)

### Assignment method:

Direct charges such as backgrounds, drug screens and physicals are tracked and charged directly to the applicable business unit.

All remaining cost are allocated to business units proportionally based on number of employees.

### Basis of assignment:

Based on a review of this cost center, the related costs incurred in leading these activities benefit all business units and are therefore allocated proportionately based on the number of employees in each business unit.

# Human Resources – Talent Acquisition Services

## Cost Center 125175

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### Major activities:

General activities and costs to support the Recruiting, Hiring, & Deploying group, such as salaries for department employees.

Outside Service Fees and travel costs relating to recruiting.

Candidate Sourcing

Recruiting Strategy Development

Identifying and recruiting experienced hires (exempt & non-exempt)

Advertising

Posting positions internally and externally (ATS system, job boards, professional networks/organizations, social media, etc.)

Conducting interviews at company sites

Career Fairs (i.e. diversity groups, military events, Houston Chronicle, etc.)

Prepare offer in consultation with manager (compensation, relocation, sign-on bonus, other agreements)

### Assignment method:

Direct charges such as backgrounds, drug screens and physicals are tracked and charged directly to the applicable business unit.

All remaining cost are allocated to business units proportionally based on number of employees.

### Basis of assignment:

Based on a review of this cost center, the related costs incurred in leading these activities benefit all business units and are therefore allocated proportionately based on the number of employees in each business unit.

# Human Resources – Talent Acquisition Support

## Cost Center 125176

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### Major activities:

General activities and costs to support the Recruiting group, such as salaries for department employees.  
Skills Assessment testing (i.e. skill trades, technical)  
Assessment Program Management  
Records management, Employee Records & I-9/E-verify Management-ensure data is tracked and verified in the FileNet Records management system.  
New hire Onboarding  
Technology Support & Data Management, Talent Management System, Reporting, Recruiting and Onboarding  
Vendor Program Management & Administration; Relocation, Staff Augmentation, Outplacement

### Assignment method:

Direct charges are tracked and charged directly to the applicable business unit.  
All remaining cost are allocated to business units proportionally based on number of employees.

### Basis of assignment:

Based on a review of this cost center, the related costs incurred in leading these activities benefit all business units and are therefore allocated proportionately based on the number of employees in each business unit.

# Human Resources - Learning & Org. Development

## Cost Center 125181

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### **Major activities:**

General activities and costs to support the Organization Effectiveness group, such as salaries for department employees.  
Outside training fees and travel related to conducting in-house HR training.  
Corporate Human Resources strategy.  
Corporate culture initiatives.  
Learning/training.  
Employee career development.  
Executive leadership development.  
Change management.

### **Assignment method:**

Direct charges are tracked and charged directly to the applicable business unit.  
All remaining cost are allocated to business units proportionally based on number of employees.

### **Basis of assignment:**

Based on a review of the activities of this cost center, the related costs incurred in leading these activities benefit all business units and are therefore allocated proportionately based on the number of employees in each business unit.

# HR - Wellness Activity Center

## Cost Center 125186

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### **Major activities:**

Labor and employee related expenses associated with staffing and oversight of the CenterPoint Energy Tower (CNP-T) on-site wellness center and providing associated wellness activities for (CNP-T) CenterPoint Energy employees and CNP-T building tenants.

### **Assignment method:**

Costs are charged to 3<sup>rd</sup> party tenants of CNP-T based on contracted rates times the number of their employees using the Wellness Activity Center. Remaining costs are allocated to Business Services functions and Business Units based on Headcount located in CNP-T.

### **Basis of assignment:**

The monthly rates billed to 3<sup>rd</sup> party CNP-T tenants is based on the average cost of a private gym membership in Houston applicable when contracted. Remaining costs are allocated to Business Services functions and Business Units based on Headcount located in CNP-T.

# Human Resources – Information Technology

## Cost Center 125187

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### **Major activities:**

Supports the HR SAP module, the HCM Oracle modules, and others such as eTools and the Contractor Portal  
Provides ad hoc reporting to people across the organization  
Extracts employee data for CenterPoint Energy to support rate cases  
Provides support for employee investigations

### **Assignment method:**

All costs are allocated to business units proportionally based on number of employees.

### **Basis of assignment:**

Based on a review of this cost center, the related costs incurred in leading these activities benefit all business units and are therefore allocated proportionately based on the number of employees in each business unit.

# Human Resources - Labor Relations

## Cost Center 125188

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### Major activities:

General activities and costs to support the Labor Relations group, such as salaries for department employees.  
Corporate strategy and framework of labor relations.  
Benchmarking of labor trends.  
Union negotiations.

### Assignment method:

Direct charges are tracked and charged directly to the applicable business unit.  
All remaining cost are allocated to business units proportionally based on number of Union employees.

### Basis of assignment:

Based on a review of the activities in this cost center, the related costs incurred in leading these activities benefit all business units and are therefore allocated proportionately based on the number of Union employees in each business unit.

# Human Resources – Shared Services

## Cost Center 125197

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### **Major activities:**

Costs include CenterPoint Energy Tower building rent for the Credit Union.

### **Assignment method:**

Costs are allocated to Business Services functions and Business Units based on Headcount located in CNP-T

### **Basis of assignment:**

The monthly rates billed to 3rd party CNP-T tenants is based on the average cost of a private gym membership in Houston applicable when contracted. Remaining costs are allocated to Business Services functions and Business Units based on Headcount located in CNP-T.



# Human Resources – SVP & Chief HR Officer

## Cost Center 125307

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### Major activities:

Labor and related costs for the Senior Vice President of Human Resources, staff independent of other cost centers, and an executive receptionist.  
Policy and planning for total compensation plans, workforce planning and training, HR policy development, Labor Relations, Employee Benefits Administration, and HR Communications.

### Assignment method:

Direct charges are tracked and charged directly to the applicable business unit.  
All remaining cost are allocated to business units proportionally based on Composite Ratio Formula.

### Basis of assignment:

Based on a review of this cost center, the leader of the corporate Human Resources organization is responsible for policy and planning for all business units' HR related activities. The costs incurred are by the Service Company on behalf of its affiliates. Therefore, the costs are assigned based on Composite Ratio Formula.

# HR – Allocated Employee Benefits

## Cost Center 125308

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### **Major activities:**

Employee benefit plan expenses for all CenterPoint Energy corporate employees.

### **Assignment method:**

Employee costs for the CNP employees are considered CNP overhead costs and are charged to business units based upon total CNP labor dollars distributed per business unit. In the event of a late benefit entry after year-end Service Company allocations have run, the late entry benefit costs would be allocated directly to the Business Units based on the Composite Ratio formula.

### **Basis of assignment:**

Amounts are CenterPoint Energy corporate overhead costs and are assigned to business units based upon total CNP labor dollars distributed per business unit. Such amounts include employee benefit plan expenses related to CNP corporate employees, such as retirement plan, savings plan, post-retirement benefits, etc.

# HR – Allocated Executive Benefits

## Cost Center 125309

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### **Major activities:**

Benefit plan expenses associated with other executive benefit plans.

### **Assignment method:**

Amounts are CenterPoint Energy corporate overhead costs (such as stock based compensation costs, etc.) and are allocated to business units proportionally based on Composite Ratio Formula.

### **Basis of assignment:**

Executive Benefits are considered CNP overhead costs. The costs incurred are by the Service Company on behalf of its affiliates. Therefore, the costs are allocated to business units proportionally based on Composite Ratio Formula.

# ASC 715 Non-Service Benefits

## Cost Center 125311 & 125312

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### **Major activities:**

Non-service related employee benefit plan expenses for all CenterPoint Energy corporate employees in compliance with accounting pronouncement ASC 715 in 125311.

Due to how the Service Company non-service benefit deferrals are being recorded and consolidated, cost center 125312 was designed to accurately reflect the incurred non-service costs being deferred under PURA 36.065 and the GURA for the Regulated companies in Texas. From an accounting and consolidations perspective, the entries recorded to this cost center are necessary to appropriately classify between operating and non-operating non-service benefit costs for consolidated CenterPoint.

### **Assignment method:**

Employee costs for the CNP employees are considered CNP overhead costs and are charged to business units based upon total CNP labor dollars distributed per business unit.

### **Basis of assignment:**

Amounts are CNP corporate overhead costs and are assigned to business units based upon a calculated estimate of CNP labor dollars distributed per business unit. Included are non-service related employee benefit plan expenses related to CNP corporate employees, such as retirement plan, post-retirement benefits, and deferred compensation.

Cost center 125312 is not allocated to the business units and exists for consolidated financial presentation purposes only.

# Human Resources – College Relations

## Cost Center 125410

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### **Major activities:**

General activities and costs to support the Recruiting group, such as salaries for department employees.  
Annual recruiting, selection and management of company-wide interns and co-op students.  
College Relations (Co-Ops, Interns, INROADS, etc.)  
Career fairs (i.e. universities, technical schools, etc.)  
Conduct interviews and information sessions on campus  
Lunch and learns  
Intern facility tours  
Coordinate intern and co-op end of assignment presentations  
Prepare offer in consultation with manager (compensation, relocation, sign-on bonus, other agreements)

### **Assignment method:**

Direct charges are tracked and charged directly to the applicable business unit.  
All remaining cost are allocated to business units proportionally based on number of employees.

### **Basis of assignment:**

Based on a review of this cost center, the related costs incurred in leading these activities benefit all business units and are therefore allocated proportionately based on the number of employees in each business unit.

# HR – Electric Operations

## Cost Center 158801

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### Major activities:

- Provide Human Resources consulting services: 1) Employee Relations Services; 2) HR Police Interpretation; 3) Performance Management; 4) Management/Employee Counseling; 5) Investigations
- Serve as liaison between Corporate HR and Business Services and Business Units other than Regulated Operations in areas of: 1) Compensation & Benefits; 2) Disability Management; 3) Workforce Planning; 4) Process Change; 5) Management & Organizational Consulting; 6) Workforce Diversity & Inclusion; 7) Ethics & Compliance; 8) Training & Development; 9) Coordination of Drug & Alcohol Testing
- Assist with due diligence analysis for possible mergers/acquisitions

### Assignment method:

Direct charges are tracked and charged directly to the applicable business unit.  
All remaining cost are allocated to business units proportionally based on number of employees.

### Basis of assignment:

Based on a review of the activities in this cost center, the related cost incurred in leading these activities are benefitting Electric Operations and are therefore allocated to Electric Operations.

# HR – Compensation

## Cost Center 158802

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### **Major activities:**

General activities and costs to support the Compensation group, such as salaries for department employees.  
Consulting costs relating to compensation plan design and market pricing.  
Compensation strategy.  
Base and variable pay design.  
Administration of base and variable pay plans.  
Compensation plan education and communication.  
Key contributor process.  
Recognition programs.  
Market pricing.  
Executive benefits design and administration.  
Recognition program design and administration.

### **Assignment method:**

Direct charges are tracked and charged directly to the applicable business unit.  
All remaining cost are allocated to business units proportionally based on number of employees.

### **Basis of assignment:**

Based on a review of this cost center, the related costs incurred in leading these activities benefit all business units and are therefore allocated proportionately based on the number of employees in each business unit.

# HR – Benefits

## Cost Center 158803

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### Major activities:

- General activities and costs to support the Benefits group, such as salaries for department employees.  
Plan design and vendor administration for CenterPoint Energy Benefits Programs including:
- Health & Welfare benefits
  - Retirement benefits
  - COBRA administration

### Assignment method:

Direct charges are tracked and charged directly to the applicable business unit.  
All remaining cost are allocated to business units proportionally based on number of employees.

### Basis of assignment:

Based on a review of this cost center, the related costs incurred in leading these activities benefit all business units and are therefore allocated proportionately based on the number of employees in each business unit.



# HR – Gas Operations

## Cost Center 158805

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### Major activities:

- Provide Human Resources consulting services: 1) Employee Relations Services; 2) HR Police Interpretation; 3) Performance Management; 4) Management/Employee Counseling; 5) Investigations
- Serve as liaison between Corporate HR and Business Services and Business Units other than Regulated Operations in areas of: 1) Compensation & Benefits; 2) Disability Management; 3) Workforce Planning; 4) Process Change; 5) Management & Organizational Consulting; 6) Workforce Diversity & Inclusion; 7) Ethics & Compliance; 8) Training & Development; 9) Coordination of Drug & Alcohol Testing
- Assist with due diligence analysis for possible mergers/acquisitions

### Assignment method:

Direct charges are tracked and charged directly to the applicable business unit.  
All remaining cost are allocated to business units proportionally based on number of employees.

### Basis of assignment:

Based on a review of the activities in this cost center, the related cost incurred in leading these activities are benefitting Gas Operations and are therefore allocated to Gas Operations.

# Legal

# Corporate Legal

## Cost Center 125020

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### **Major activities:**

The Corporate Legal team is primarily responsible for, and incurs costs related to, (i) maintaining compliance with securities and New York Stock Exchange laws and regulations, (ii) representing the Company in corporate transactions such as mergers, acquisitions and financings, (iii) supporting the finance and corporate communications organizations; (iv) overseeing matters of corporate governance, (v) maintaining accurate records relating to the legal entities in the CenterPoint Energy group of companies; (vi) directly supporting the legal aspects of the Company's commercial contracting process; and (vii) providing guidance on commercial and contracting risks and issues.

### **Assignment method:**

Direct Costs are tracked and billed to the Business Units through a billable hour rate. All remaining amounts are cleared monthly based on planned activities.

### **Basis of assignment:**

The hourly rate is calculated by dividing the annual budget by the number of hours available for billing. Hours are billed each month as directly attributable to each Business Unit. Any over/under cost recovery each month is allocated to Business Units in proportion to their annual planned billings.

# Central Legal

## Cost Center 125021

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### **Major activities:**

Central Legal captures general activities and costs incurred by the office of Senior Executive Legal such as salaries of the Senior Executive, an executive assistant, and certain office professionals.

### **Assignment method:**

Direct charges are tracked and charged directly to the applicable business unit.  
Assignable internal labor charges are billed directly to the applicable business unit.  
All other costs are assigned based on Composite Ratio Formula.

### **Basis of assignment:**

The costs represents support associated with legal activities which support all the business units. The costs incurred are by the Service Company on behalf of its affiliates. Therefore, the costs are assigned based on Composite Ratio Formula.

# Legal Records Management / Ethics & Compliance

## Cost Center 125055

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### Major activities:

The Legal Records Management/Ethics and Compliance Office is primarily responsible for, and incurs costs related to, (i) implementing and overseeing the ethics and compliance function for the Company including training, the ethics and compliance code, investigations, compliance with certain legislative and regulatory requirements including the amendments to the federal sentencing guidelines, ethics and compliance risk assessment, Concerns Helpline, quarterly reports to the Audit Committee of the Board of Directors, communications, roundtable discussions, conflict of interest questionnaire and auditing and monitoring of the program; and (ii) implementing and overseeing the records and information management program which includes developing key policies and processes to support records (both paper and electronic) creation, management, storage and disposition, including the records retention schedule and records policy, data privacy, managing and coordinating the integrated records and information management council meetings, training and communications..

### Assignment method:

Direct charges are tracked and charged directly to the applicable business unit.  
Assignable internal labor charges are billed directly to the applicable business unit.  
All other costs are assigned based on Composite Ratio Formula.

### Basis of assignment:

Ethics & Compliance costs are assigned based on the Composite Ratio Formula.  
Most Records Management costs represent support associated with records management activities that support all the business units. The costs incurred are by the Service Company on behalf of its affiliates. However, records archive services are allocated 40% Direct based on the number of boxes in storage and 60% based on Composite Ratio Formula.

# Legal Regulatory

## Cost Center 125420

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### **Major activities:**

The Legal Regulatory team is primarily responsible for, and incurs costs related to, (i) representing CenterPoint Energy's electric and gas utilities in proceedings before state and federal agencies and any related appeals in the courts; (ii) assisting management in the development and implementation of regulatory strategies, including regulatory compliance programs; and (iii) directly supporting the Company's state and federal legislative activities.

### **Assignment method:**

Direct Costs are tracked and billed to the Business Units through a billable hour rate. All remaining amounts are cleared monthly based on planned activities.

### **Basis of assignment:**

The hourly rate is calculated by dividing the annual budget by the number of hours available for billing. Hours are billed each month as directly attributable to each Business Unit. Any over/under cost recovery each month is allocated to Business Units in proportion to their annual planned billings.

# Legal Litigation

## Cost Center 125421

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### **Major activities:**

The Litigation team is primarily responsible for, and incurs costs related to, (i) managing litigation and other disputes in which the Company or its subsidiaries is involved, (ii) advising management and the business on litigation risk, (iii) developing and implementing litigation prevention and risk mitigation plans, and (iv) supporting the Company's environmental program, including (A) managing regulatory aspects and disputes of legacy environmental sites, (B) advising and supporting the Company before environmental agencies, (C) assisting in developing and implementing environmental programs and strategies, and (D) supporting land use and facilities related activities.

### **Assignment method:**

Direct Costs are tracked and billed to the Business Units through a billable hour rate. All remaining amounts are cleared monthly based on planned activities.

### **Basis of assignment:**

The hourly rate is calculated by dividing the annual budget by the number of hours available for billing. Hours are billed each month as directly attributable to each Business Unit. Any over/under cost recovery each month is allocated to Business Units in proportion to their annual planned billings.

# Legal – Board of Directors

## Cost Center 125999

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### Major activities:

Corporate – Board of Directors is responsible for, and incurs costs related to, (i) the Board of Directors, including director travel, accommodations, meals, retainer fees, training, Board administration and meeting preparation, and website portal fees, and (ii) Chairman of the Board compensation.

### Assignment method:

Direct charges are tracked and charged directly to the applicable business unit.  
Assignable internal labor charges are billed directly to the applicable business unit.  
All other costs are assigned based on Composite Ratio Formula.

### Basis of assignment:

The costs represents support associated with Board of Directors' activities which support all the business units. The costs incurred are by the Service Company on behalf of its affiliates. Therefore, the costs are assigned based on Composite Ratio Formula.



# Audit Services, A-F and 125413

## Cost Centers 125404-125409 and 125413

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### Major activities:

General activities and costs to support the internal audit department which includes internal auditors' salaries, travel and supplies.

Additional activities include:

- Internal process and financial reviews of business units and business units' functions.
- Internal process reviews of corporate functions.
- Assist in the external audit.
- Review of benefit payments, travel expenses, etc.

### Assignment method:

Direct charges are tracked and charged directly to the applicable business unit.  
Assignable internal labor charges are billed directly to the applicable business unit.  
All other costs are assigned based on Composite Ratio Formula.

### Basis of assignment:

Based on a review of the activities of these cost centers, services/costs can be provided/incurred on behalf of the business units (internal organizations). The costs incurred are by the Service Company on behalf of its affiliates. Therefore, the costs are assigned based on Composite Ratio Formula.

### Notes:

Multiple Audit Services cost centers have been established to assist leadership with management of their team members. Audit Services' leadership utilizes all Audit Services team members to support the activities identified above. The costs in all Audit Services cost centers are assigned according to the Assignment Method and Basis of Assignment shown above.

# CenterPoint Energy Resources Corp.

# CenterPoint Energy Resources Corporation Finance

## Cost Center 104304

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### **Major activities:**

Costs associated with CenterPoint Energy Resources Corporation Finance including audit and legal fees associated with the issuance of debt.

### **Assignment method:**

Direct charges are tracked and charged directly to the applicable business unit.  
Assignable internal labor charges are billed directly to the applicable business unit.  
Other costs are assigned based on total assets of the CERC business units.

### **Basis of assignment:**

Assigned to CenterPoint Energy Resources companies only. Based on a review of the activities of this cost center, most services can be classified as financial services provided on behalf of the CERC business units (internal organizations). The costs of the department which cannot be direct billed are assigned based on the total CenterPoint Energy Resources Corporation assets per business unit.

# CenterPoint Energy Resources Corporation Insurance

## Cost Center 104396

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### Major activities:

Costs associated with CenterPoint Energy Resources Corporation insurance.

### Assignment method:

Direct charges are tracked and charged directly to the applicable business unit.  
Assignable internal labor charges are billed directly to the applicable business unit.  
All remaining cost are assigned based on CERC operating expense (less fuel).

### Basis of assignment:

Assigned to CenterPoint Energy Resources Companies only. Based on a review of the activities of this cost center, most services/costs can be classified as insurance. Therefore, the fixed distribution should be correlated to the size, complexity and activity level of the business units' operations. The fixed distribution percentage selected is based on the amount of operating expenses per CERC business unit, less fuel costs. Fuel costs are excluded as for most entities these costs are pass-through items and recoveries are timely. This measure is a reasonable proxy for the relative transaction volumes and activity levels of each business unit.

# CenterPoint Energy Resources Corporation - Directors & Officers Cost Center 104397

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## **Major activities:**

Insurance for directors and officers of CenterPoint Energy Resources Corporation.  
Contracted payments for former officers and directors.

## **Assignment method:**

Direct charges are tracked and charged directly to the applicable CERC business unit.  
Assignable internal labor charges are billed directly to the applicable CERC business unit.  
Other costs are assigned based on total assets of the CERC business units.

## **Basis of assignment:**

The primary responsibility of this corporate center is to provide insurance for directors and officers for CenterPoint Energy Resources Corporation. The remaining costs of the department which cannot be direct billed (primarily directors and officers insurance costs) are assigned based on the total CenterPoint Energy Resources Corporation assets per business unit.

# CenterPoint Energy Service Company, LLC

## **Business and Operations Support Assignment Manual 2018**

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# Real Estate & Facilities Management Cost Centers

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# FM CORPORATE REAL ESTATE & FACILITIES MANAGEMENT - DIRECTOR

## Cost Center 156101

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### Major activities/Cost Center Overview:

- Provide management oversight of the following functional areas: Real Estate, Facility Projects, Building Operations, and Office Support Services.
- Budgeting and planning support for the following functional areas: Facilities Management and Office Support Services.

### Assignment method:

- Time sheets used to attribute Project management man-hours in support of each project.
- Allocations based on time will be used for the distribution of general management oversight and internal support costs for each area and be proportioned to business units based on their direct facilities and office support services billings.

### Basis of assignment:

- The man-hour rate is calculated by dividing the service budget by the number of hours available for billing. Project Management hours are transfer priced as actually incurred on behalf of the client.
- The majority of the costs incurred by this cost center are labor related. Costs not specifically incurred for projects are allocated first based on the time spent managing each functional area. Second, the amounts billed by each functional area to the business units are used as the basis for proportioning the general management and internal support costs between the business units.

# FM PROJECT MANAGEMENT

## Cost Center 156102

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### Major activities/Cost Center Overview:

- Provide building design and construction management services
- Interior design and installation services
- Develop project scope
- Estimate project cost and schedule
- Provide design and engineering services
- Select and purchase furnishings and office accessories
- Generate contract documents
- Provide construction management services
- Manage relocation of employees
- Provide quality control services
- Provide cost tracking and reporting services
- Provide real estate services

### Assignment method:

- Time sheets used to attribute Project management man-hours in support of each project.
- Direct Client Incurred: All third party costs are coded directly to client cost objects

### Basis of assignment:

The Project Management hourly rate is calculated by dividing the service budget by the number of hours available for billing. Project Management hours are transfer priced as actually incurred on behalf of the client. Any over/under cost recovery each month is allocated to clients in proportion to their annual planned billings.

# FM BUILDING OPERATIONS - HOUSTON DIVISION

## Cost Center 156104

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### Major activities/Cost Center Overview:

Facilities Management Operations Division will provide management oversight of building operations services at general locations such as service centers and outlying Houston area complexes as described below:

- Building exterior and interior repairs and maintenance
- Building systems repairs & maintenance
- Site repairs & maintenance such as fencing and paving.
- Operational needs such as grounds keeping, janitorial services, pest control, ice machine maintenance and other tenant services
- Utilities:
  - Electricity Management (procurement leadership, budget/usage monitoring & analysis, account management, billing reconciliation)
  - Water & sewer
- Assist Facilities Project Management Division with employee relocations & moves
- Assist Facilities Project Management Division with projects, including furniture

### Assignment method:

- Energy Management services are billed to clients based on time sheets
- Building Operations Management is billed based on the square footage of locations managed

### Basis of assignment:

The majority of the costs incurred by this cost center are labor related. The Energy Management man-hour rate is calculated by dividing the service budget by the number of man-hours available for billing. Man-hours are transfer priced as actually incurred on behalf of the client. The Building Operations management costs are proportioned to clients each month based of the total square footage of each client location to all locations managed.

# FM ECDC BUILDING SERVICES

## Cost Center 156111

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### Major activities/Cost Center Overview:

Facilities Management Operations Division will provide building operations services at the ECDC facility and CEHE/Technology Operations Addicks Operations Center (AOC).

### Assignment method:

- Facilities Operations internal costs in support of each location are directly assigned first to CEHE/Technology Operations for the new Addicks Operations Center with the remainder assigned 100% to CNP Properties, Inc.
- Direct Client Incurred: Third party costs associated with each vendor providing services are coded directly to the CEHE/Technology Operations AOC and Properties Building cost objects.

### Basis of assignment:

The costs incurred by this cost center are for dedicated internal labor and internal support allocations that are directly assignable to the CEHE/Technology Operations AOC and Properties ECDC building locations.

# Office Support Services Cost Centers

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# OSS HOUSTON TRAVEL & OFFICE SUPPORT SRVS

## Cost Center 156124

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### Major activities/Cost Center Overview:

- Management oversight of the Corporate Travel Management Company contract
- Management oversight of Houston Office Support Services functional areas
- Coordination and oversight of regulatory issues and rate case filings affecting Business & Operations Support

A third party Travel Management Company (TMC) provides corporate travel services for CenterPoint Energy travelers. Services offered to travelers include, but are not limited to:

- air, hotel, auto rental, and limousine rental arrangements in accordance with CenterPoint Energy's Corporate Travel Policy
- assistance with visa and passport processing
- assistance with meeting planning
- participation in new hire travel orientation
- participation in CenterPoint Energy's Emergency Operations Plans
- vendor issue resolution and contract negotiation assistance

### Assignment method:

- Time sheets for any hours spent unrelated to the Corporate Travel Office & Office Support Services
- Allocation based on time used for the distribution of general management oversight and internal support for each functional area and be proportioned to business units based on the Office Support Services billings and Corporate Travel Office direct costs.
- Corporate Travel office direct costs will be calculated for the individual business units based on percentage of monthly total transaction volume and charged directly to the business unit by the Travel Management Company.

### Basis of assignment:

An hourly rate is calculated based on the portion of total operational costs not directly related to Travel Office and Office Support Services Management oversight divided by the number of available hours, which is billed monthly based on actual direct support provided to clients.

Cost of management oversight and related internal support costs for the Travel Office are allocated based on the annual planned travel office expenses to be incurred directly by clients. The amounts billed by each managed office support services functional area to the business units are used as the basis for proportioning the cost centers' general management of Office Support Services and internal support costs between the business units.

# OSS HOUSTON MAIL SERVICES

## Cost Center 156132

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### Major activities/Cost Center Overview:

#### Mail Services:

- Provide pick-up and delivery of all Interoffice Mail, U.S. Mail, Certified Mail and Overnight Mail for all company locations.
- Provide mail metering service
- Obtain and maintain PO boxes and postal permits.
- Consult on Company and U. S. Postal Service processes and requirements.

### Assignment method:

- Number of Mail Pieces
- Direct Client Incurred: Postage, courier, and mail box rental fees will be paid directly by the appropriate client.

### Basis of assignment:

Mail Services' total operations budget divided by the total estimated annual number of mail pieces multiplied by the actual number of mail pieces by specific client each month. Any over/under cost recovery each month is allocated to clients in proportion to their annual planned Mail Services billings.

# OSS HOUSTON FORMS / DOCUMENT SERVICES

## Cost Center 156136

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### Major activities/Cost Center Overview:

Provides Forms Design, Forms Management, and Copy Center management services:

- Forms Design
  - Partner with clients to provide forms design and analysis for new and revised forms, for both electronic and paper formats
  - Serve as electronic forms project manager and owner
- Forms Management
  - Develop and maintain forms inventory levels
  - Manage production and distribution of forms
  - Negotiate and maintain contracts with forms and envelope vendors
  - Provide delivery to site, desktop, standalone, LAN, and Web distribution
- Manage the outsourced third party Copy Center vendor contract and charges to client business units.

### Assignment method:

- Time sheets for billable Forms Design Hours
- Allocation based on Number of Forms managed per client
- Allocation based on Copy Center charges per client
- Direct Client Incurred: Printing costs for new forms, and copy center vendor charges will be charged directly to the appropriate client.

### Basis of assignment:

Total copy center management operations budget divided by actual usage of copy center vendor by clients in prior year, adjusted for significant known changes, is billed as a fixed monthly charge.

The Forms Design hourly rate is calculated by dividing the portion of the Forms operational budget associated with forms design by the number of hours available for billing. Forms design hours are billed as actually incurred on behalf of the client each month. Total Forms Management service costs remaining are allocated to clients each month based on their proportion of the number of managed forms to the total number of forms managed at the end of the prior year.



# OSS SHREVEPORT SERVICES MANAGEMENT

## Cost Center 156141

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### Major activities/Cost Center Overview:

Provides management oversight and direct supervision of:

- Shreveport Office Support Services, Records Management and Shreveport Copy Center (cc 156142).

Provides Records Management, Milam Building Office Services and backup support for Forms Design & Management Service (cc 156136) and Facilities Milam Building Operations (cc 115256) as follows:

- Records Management
  - Manage and coordinate storage options for clients' files
  - Coordinate the retrieval of boxes / files for client review
- Shreveport Milam Building Office Services provides on-site Mail services and back-up support for Records Services and the Facilities Help Desk. The scope of services for all services provided are as listed:
  - Mail Services
  - Pick-up and delivery of all Interoffice Mail, U.S. Mail, Certified Mail and Overnight Mail
  - Mail Metering
  - Obtain and maintain PO boxes and postal permits
  - Consulting on Company and U.S. Postal Service (USPS) processes and requirements
  - Pick up and delivery of interoffice and USPS mail for Milam Building two times a day, 11:00am, and 3:00pm
  - The standard for all other locations will be at least one pick up and delivery daily.

Back-up Records Management and Facilities Help Desk

- Coordinate storage for clients' files. Coordinate the retrieval of boxes/files for client review
- Receive and input work orders related to Milam Building and other Facilities
- Fill drink orders (water, soft drink etc)
- Pay invoices in SAP
- Backup support for Forms Design & Management Service (cc 156136)
  - Partner with clients to provide forms design and analysis for new and revised forms for both electronic and paper formats
  - Develop and maintain forms inventory levels
  - Backup support for Forms Design & Management Service (cc 156136)
- Support for Milam Building Operations (cc 115256)
  - Updates Computer Automation Drawings (CAD) of Milam Building occupancy

(CONTINUED)

# OSS SHREVEPORT SERVICES MANAGEMENT

## Cost Center 156141

### (Continued)

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#### **Assignment method:**

- Timesheets will be used for Facility Management support
- Timesheets will be used for billable forms design hours
- Allocation based on the number of boxes in storage
- Allocation based on total number of employees serviced
- Direct Client Incurred: Postage, courier and mail box rental costs will be paid directly by the appropriate client

#### **Basis of assignment:**

The hourly rate is calculated by dividing the operations budget for facilities management support by the number of hours available for billing. Hours are billed as directly attributable to each building location. The same hourly rate will be used for billing unplanned forms design backup support.

Total Record Management Shreveport costs are allocated to clients each month in proportion to their total number of boxes in storage at the end of the prior year.

Milam Building Office Services costs are allocated based on the proportion of each clients planned number of employees to be serviced of the total number of employees serviced. Any over/under cost recovery each month is allocated to CNP clients in proportion to their annual planned billings.

# OSS SHREVEPORT COPY CENTER

## Cost Center 156142

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### Major activities/Cost Center Overview:

Copy Center Shreveport provides on-site Reprographics services. A full service copy center provides, but is not limited to the following products:

- High Speed Duplicating
- Color Copying
- Full Bindery/Finishing
- Client consulting and support on document preparation and printing requirements
- Client ID Badges and Badge System
- Scanning Services

### Assignment method:

- Copy center services billed based on cost of services requested
- Direct Client Incurred: Maintenance and lease or acquisition costs of convenience copiers are charged directly to the appropriate client

### Basis of assignment:

Standard rates established for the various copy center services and are billed as requested. Any over/under cost recovery each month is allocated to clients based on their actual usage of the copy center services in prior year, adjusted for significant known changes.

# Purchasing & Logistics Cost Centers

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# P&L PURCHASING & LOGISTICS DIRECTOR

## Cost Center 156145

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### Major activities/Cost Center Overview:

- Management oversight of the Corporate Purchasing Services Area
- Management oversight of the Houston Electric Purchasing & Logistics Area
- Management oversight of the Gas Purchasing & Logistics Area
- Management oversight of Minnesota Home Service Plus Purchasing & Logistics Area
- Management oversight of Supplier Diversity

### Assignment method:

Allocation based on the managed exempt headcount and hours spent overseeing the various reporting functions.

### Basis of assignment:

The majority of the costs incurred by this cost center are labor related. The cost center is first allocated based on the managed exempt headcount and hours spent overseeing the various reporting functions. The portion of costs for management oversight of the Houston Electric, Gas Purchasing & Logistics and Minnesota Home Service Plus areas is directly assigned. Second, the amounts billed by each of the other functional areas will be used as the basis for proportioning the cost of their management oversight.

## P&L GAS LDC PURCHASING Cost Center 156146

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### Major activities/Cost Center Overview:

- Manage the Supply Chain Process.
- Partner with client to provide Supply Chain analysis and solutions.
- Partner with client to provide administrative support in the negotiation, development and award of gas operations contracts.
- Obtain goods and services as indicated by SAP/MRP and/or client request.
- Establish and maintain vendor agreements.
- Coordinate the negotiation, development and award of contracts for goods.
- Manage the vendor base and measure vendor performance.
- Manage, in coordination with Logistics, central warehouse inventory stock quantities and material requirements planning (MRP) parameters.
- Manage operating costs.
- Continue development of and support process revisions and improvements.
- Support initiative to reduce inventory and increase inventory turns.

### Assignment method:

Number of PO Line Items

### Basis of assignment:

Standard rate calculated by total operations budget divided by total number of Purchase Order line items planned for the year. Rate multiplied by the actual number of PO lines for each client each month. Any over/under cost recovery each month is allocated to clients in proportion to their planned annual billings. PO line item counts are determined from SAP extracts by buyer and plant code.

# P&L IT PROCUREMENT AND STRATEGIC SOURCING

## Cost Center 156148

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### Major activities/Cost Center Overview:

- Manage the Supply Chain Process for Technology Operations and Corporate Business Services functions.
- Partner with clients to provide Strategic Sourcing analysis and solutions.
- Obtain goods and services as indicated by SAP/MRP and/or client request.
- Establish and maintain vendor agreements.
- Coordinate the negotiation, development and award of contracts for goods.
- Manage the vendor base and measure vendor performance.
- Manage operating costs.
- Continue development of and support process revisions and improvements.

### Assignment method:

Manager's salary split between cost centers 156148 and 156151.  
Timesheets will be use to direct bill their actual time to that client.

### Basis of assignment:

The hourly rate is calculated by dividing the service budget by the number of hours available for billing. Hours are billed as actually incurred on behalf of the client.

Fifty percent (50%) of the manager's salary will be assigned to cost center 156151 for oversight of the Supply Chain Process for Corporate Business Services functions.

Any over/under cost recovery each month is allocated to clients in proportion to their planned annual number of billable hours.

# P&L INVESTMENT RECOVERY

## Cost Center 156149

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### Major activities/Cost Center Overview:

- Sell designated obsolete/surplus/scrapped materials, vehicles and equipment in a timely manner.
- Establish and manage long term contracts for sale and disposal of obsolete/surplus material and equipment.
- Manage Corporate Recycling Program.
- Coordinate backhaul of materials to be salvaged from field.

### Assignment method:

Allocation base on generated revenues

### Basis of assignment:

The majority of the costs incurred by this cost center are labor related. A standard rate is established by dividing the total operational costs by the anticipated annual revenues based on prior year precedent adjusted as necessary for any anticipated changes in support requirements. Each month costs are billed by multiplying the rate times the actual generated revenues by client. Any over/under cost recovery each month is allocated to clients in proportion to their planned annual billings.



# **P&L GAS OPERATIONS PURCHASING & LOGISTICS MANAGER**

## **Cost Center 156150**

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### **Major activities/Cost Center Overview:**

- Management oversight of Gas Purchasing.
- Management oversight of Central Logistics Operations within the Gas business unit.

### **Assignment method:**

Allocation based on time managing each function.

### **Basis of assignment:**

The majority of the costs incurred by this cost center are labor related. The cost center is first allocated based on the time spent managing the Gas Purchasing and Logistics functions.

The total Purchasing amounts billed to the Gas LDC business units will be used as the basis for proportioning the cost of Gas Purchasing management oversight.

The portion of costs for managing Central Logistics Operations within the Gas business unit are directly assigned.

# P&L CORPORATE PURCHASING

## Cost Center 156151

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### Major activities/Cost Center Overview:

- Supply Chain Process for Corporate Business Services functions.
- Procurement process improvement and technology adoption
- Obtain goods and services as indicated by SAP/MRP and/or client request.
- Establish and maintain vendor agreements.
- Coordinate the negotiation, development and award of contracts for goods.
- Manage operating costs.

### Assignment method:

- Timesheets will be used to direct bill actual time to that client.
- Number of General Purchase Orders line items

### Basis of assignment:

The hourly rate is calculated by dividing the service budget by the number of hours available for billing. Hours are billed as actually incurred on behalf of the client.

The general PO line item rate is calculated by dividing the total remaining operations budget by total number of Purchase Order contract line items planned for the year that are not associated with definable contract support being billed by the hour. The rate multiplied by the client's actual number PO lines is billed each month.

Any over/under cost recovery each month is allocated to clients based on their planned annual billings.

# P&L SUPPLIER DIVERSITY

## Cost Center 156152

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### Major activities/Cost Center Overview:

- Manage the GSA Subcontracting Plan and the Five-Year Plan Procurement Initiatives.
- Coordinate internal Advisory Council activities and action items.
- Support and assist client Supplier Diversity Teams in establishing and achieving MWBE target initiatives.
- Monitor MWBE procurement processes and procedures and associated results.
- Implement, evaluate, and monitor Second-Tier expectations and requirements.
- Publicize and communicate supplier diversity emphasis & awareness internally/externally.
- Plan and implement internal/external training, workshops, networking, and recognition events.
- Participate in MWBE outreach and developmental activities.
- Liaison to political, business, and community organizations and councils with strong interest in supplier diversity.
- Assists clients with bids requiring MWBE participation/ Update and enhance MWBE database.
- Respond to Federal, State, and Local reports/filings/ issues/concerns/requests.

### Assignment method:

- Direct Client Incurred: Expenses solely on behalf of or for the sole benefit of a particular business unit will be paid directly by the client
- Assignable internal labor charges are billed directly to the applicable business unit.
- All remaining cost are assigned based on operating expense (less fuel).

### Basis of assignment:

Supplier Diversity is an executive sponsored corporate-wide initiative so it is assigned as a corporate governance expense. Any general expense incurred exclusively on behalf of, and for the sole benefit of a particular Business Unit, will be billed directly to that Business Unit. Based on a review of the activities of this cost center, most services/costs have an emphasis on financial and economic analysis of business unit and corporate strategies to improve the profitability of the business units (internal organizations). Therefore, the fixed distribution should be correlated to the size, complexity and activity level of the business units' operations. The fixed distribution percentage selected is based on the amount of operating expenses per business unit, less fuel. Fuel costs are excluded; as for most entities, these costs are pass-through items and recoveries are timely. This measure is a reasonable proxy for the relative transaction volumes and activity levels of each business unit.

# P&L CONTRACT ADMINISTRATION

## Cost Center 156155

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### Major activities/Cost Center Overview:

- Manage implementation, administration and expansion of the BuyRight PayRight (BRPR) System and the Supply Chain Process for Special Projects..
- Partner with clients to provide Strategic Sourcing analysis and solutions.
- Obtain goods and services as indicated by SAP/MRP and/or client request.
- Establish and maintain vendor agreements.
- Coordinate the negotiation, development and award of contracts for goods.
- Manage operating costs.
- Continue development of and support process revisions and improvements.
- Procurement data support
- Sox Testing
- Manage the vendor base and measure vendor performance.
- Support initiative to reduce inventory and increase inventory turns.
- Budgeting and planning support for Purchasing & Logistics.

### Assignment method:

Timesheets will be use to direct bill their actual time to that client for Special Projects.  
Number of BRPR Purchase Orders.

### Basis of assignment:

The hourly rate is calculated by dividing the service budget by the number of hours available for billing. Hours are billed as actually incurred on behalf of the client.

The Buy Right Pay Right (BRPR) standard rate is calculated by dividing the portion of the service budget spent on BRPR activities by the by the total number of BRPR Purchase Orders planned for the year, based on prior year-end activity and adjusted for any known significant changes. The rate multiplied by the client's actual number of BRPR is billed each month.

Any over/under cost recovery each month is allocated to clients in proportion to their number of BuyRight PayRight (BRPR) Purchase orders planned for the year.

# Corporate Security Cost Centers

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# SEC SECURITY DIRECTOR

## Cost Center 156160

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### Major activities/Cost Center Overview:

Supports Business Unit Management in securing personnel and assets by providing:

- Contract guards and off-duty police officers.
- Installation, monitoring, and maintenance of electronic security systems.
- Confidential investigative services.
- Security presentations and training.
- Site security assessments.
- Homeland security background checks

This cost center includes all internal labor resources needed to conduct or manage provision of the above services.

### Assignment method:

- Time sheets
- Direct Client Incurred: Site guards, police officers, background checks and electronic equipment will be paid directly by the appropriate client.

### Basis of assignment:

The hourly rate is calculated by dividing the operations budget by the number of hours available for billing. Hours are billed each month as directly attributable to each activity and client. Any over/under cost recovery each month is allocated to clients in proportion to their annual planned billings.

# SEC PATROL SERVICES

## Cost Center 156161

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### **Major activities/Cost Center Overview:**

Third party patrol services vendor and transportation costs supporting multiple business units.

### **Assignment method:**

Patrol Services hours.

### **Basis of assignment:**

Billing rate based on total incurred expenses divided by the total number of patrol hours used for unguarded facilities, to respond to alarms and for stand-by when electronic systems malfunction. Any over/under cost recovery each month is allocated to clients in proportion their annual planned billings.

# Administrative Cost Centers

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## **BSS ADMINISTRATIVE Cost Center 156171**

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### **Major activities/Cost Center Overview:**

- General administrative support and benchmarking for Business Support Services operations
- Planning adjustments not specifically assigned to a functional area within Business Support Services
- Unplanned miscellaneous expenses not directly assigned to an operational cost center, such as prior year corrections.

### **Assignment method:**

Allocation based on total direct service billings.

### **Basis of assignment:**

Cost center plans and expenses are allocated to the business units based on their proportional total direct billings from Business Support Services.

# **BSS SERVICES X-CHARGES**

## **Cost Center 156172**

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### **Major activities/Cost Center Overview:**

Cost center accumulates all internal cross-charges support provided between Company 0002 Business Support Services cost centers, from Company 0056 Properties for CNP-Tower and ECDC building rents and from Company 0062 Arkla for Milam Building rents assignable to company 0002 Business Support Services operations.

### **Assignment method:**

- Rents allocated to Business Support Services cost centers based on occupied square footage.
- Allocation of all other costs to business units based on total direct service billings.

### **Basis of assignment:**

Rent expenses are allocated based on occupied square footage of each Business Support Service cost center.

Business Support Services company 0002 employees and on-site contractors who utilize basic services like convenience copiers, mail, office supplies, purchases, etc. primarily drive all other cross-charges. These cross charges are allocated to the business units based on the business units proportion of total direct billings from Business Support Services.

## **BSS DEPRECIATION & OTHER Cost Center 156175**

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### **Major activities/Cost Center Overview:**

Cost center is used to record depreciation expenses associated with equipment used in the provision of Company 0002 Business Support Services that has not been directly assigned. For administrative tracking and reporting, standard allocation methods are used to distribute costs to all Company 0002 Business Support Services cost centers.

### **Assignment method:**

Equipment depreciation expense with a return for cost of capital employed is allocated into the cost of each applicable Business Support Service cost center.

### **Basis of assignment:**

Depreciation expenses, with a return for cost for capital employed, are assigned to Business Support Service cost centers where they can be reasonably attributed.

Each month the over-distributed balance in this cost center represents the amount of return for the cost of capital employed recovered within the services.

# Fleet & Shops Services Cost Centers

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# FLEET & SHOP SERVICES ADMINISTRATION

## Cost Center 159051

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### **Major activities:**

Management of all vehicles and motorized equipment.  
Management of fleet inventory including purchasing, fuel, maintenance and disposal activities  
Management oversight of Shops and Radio Services

### **Assignment method:**

Direct charges are tracked and charged directly to the applicable business unit.  
Assignable internal labor charges are billed directly to the applicable business unit.  
All other costs are assigned based on total fleet and shops services dollars managed.

### **Basis of assignment:**

Activities of this cost center primarily relate to providing vehicle and motorized equipment support for the company's regulated customer service operations. Therefore, costs are assigned based on total fleet and shops services dollars managed.

# FLEET SUPPORT

## Cost Center 159057

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### **Major Activities:**

Management and Administration of all vehicles and motorized equipment.  
Management and Administration of fleet inventory including purchasing, fuel, maintenance and disposal activities

### **Assignment Method:**

Direct charges are tracked and charged directly to the applicable business unit.  
Assignable internal labor charges are billed directly to the applicable business unit.  
All other costs are assigned based on total fleet vehicles and motorized equipment managed.

### **Basis of Assignment:**

Activities of this cost center primarily relate to providing vehicle and motorized equipment support for the company's regulated customer service operations. Therefore, costs are assigned based on total number of units managed.

# BUSINESS & OPERATIONS SUPPORT DIVISION VICE PRESIDENT

## Cost Center 125123

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### **Major activities/Cost Center Overview:**

General activities and costs to support the office of the Division Vice President Business & Operations Support such as salaries of the Vice President and costs associated with the identifying, creating, maintaining common processes between Strategic Business Units and internal partners. Management oversight of Real Estate & Facilities Management, Office Support Services, Purchasing & Logistics, Corporate Security, Fleet, Shops & Radio and Land & Field Services.

### **Assignment method:**

Direct charges are tracked and charged directly to the applicable business unit.  
Assignable internal labor charges are billed directly to the applicable business unit.  
All remaining cost are assigned based on operating expense (less fuel).

### **Basis of assignment:**

Based on a review of the activities of this cost center, most services/costs have an emphasis on financial and economic analysis of business unit and corporate strategies to improve the profitability of the business units (internal organizations). Therefore, the fixed distribution should be correlated to the size, complexity and activity level of the business units' operations. The fixed distribution percentage selected is based on the amount of operating expenses per business unit, less fuel. Fuel costs are excluded; as for most entities, these costs are pass-through items and recoveries are timely. This measure is a reasonable proxy for the relative transaction volumes and activity levels of each business unit.

# CROSS-CHARGES TO/FROM BUSINESS SUPPORT SERVICES

## Final Settlement Cost Centers

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### Major activities/Cost Center Overview:

Cost centers are established to accumulate all charges from the Business Support Services cost centers to be billed to the Business Units and other Corporate Business Services organizations, such as Finance, Legal, Communications, Government Affairs, Executive Office, Human Resources and Information Technology.

Cost centers accumulate all charges from the other Corporate Business Services organizations in support of Business Support Services operations.

For administrative tracking and reporting, a standard allocation method is used to distribute all cross charged support between all Service Company 0002 organizations.

### Assignment method:

- Support to other Service Company 0002 organizations from Business Support Services are allocated into their final settlement cost centers for the business units based on their own respective billings into each.
- Support from other Service Company 0002 organizations to Business Support Services (BSS) are allocated into the BSS final settlement cost centers based on Business Support Services total billings into each.
- Each final settlement cost center is fully allocated to the applicable business unit.

### Basis of assignment:

Final settlement cost centers are established to accumulate charges for proper FERC classification when billing to business units. All billed expenses of a like nature are grouped and allocated using designated secondary cost elements for each function and type of expense.



# **CenterPoint Energy Service Company, LLC**

## **Technology Operations Cost Center Assignment Manual 2018**

# TO Cost Centers

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- 156202 LAN Services
- 156203 Enterprise Systems Control
- 156204 Network Operations
- 156205 TO Plan Adjustments
- 156207 Technology Security
- 156209 LAN Client Specific
- 156211 Technology Systems Infrastructure & Ops
- 156212 Storage & Mainframe Mgmt
- 156216 SAP System Support
- 156219 Technology Consulting Services
- 156221 PMO Management
- 156222 Business Technology Services
- 156223 Business User Support/Service Desk
- 156225 Architecture Technology Risk
- 156226 Customer Solutions
- 156231 TO Advance Finance
- 156233 Back Office Support Services
- 156239 Market/Field/Logistics Solutions

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- 156260 Voice Services – Moves/Add/Changes
- 156261 Business Technology Support
- 156265 Technical Operations
- 156266 Operational/Corp Analytics
- 156267 Portfolio & Integration Management
- 156268 Vendor Management
- 156269 Organizational Readiness/Risk Management
- 156278 Telephony/VoIP Support
- 156280 Business Resiliency & Data Center Mgmt.
- 156282 Technology Systems Management
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- 156294 Computing Platform
- 156295 Systems Management and Automation
- 156296 Service Delivery Management
- 156297 TO Depreciation
- 156298 TO Allocation - BOS
- 156299 TO Other Depreciation

# Technology Operations - CIO

## Cost Center 156200

---

### **Major activities/Cost Center Overview:**

TO Management costs to oversee, support and provide strategic direction for all aspects of TO. These areas include:

- Technical Operations
- Operational Tech & Markets
- Advance Finance
- Technology Security

### **Assignment method:**

Costs are allocated to each Business Unit and Functional Area based on total TO O&M spend

### **Basis of assignment:**

Total budget is allocated based on total TO O&M spend

# Technology System Control

## Cost Center 156201

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### **Major activities/Cost Center Overview:**

Management oversight of Technology System Control Center

- Enterprise Systems Control
- Service Delivery Management
- Operational Performance & Capacity Planning
- TSCC Operations

### **Assignment method:**

Fixed allocation to the following services:

- Enterprise Systems Control
- Operational Performance & Capacity Planning
- Systems Management/Automation
- Service Delivery Management

### **Basis of assignment:**

Allocated based on oversight of supported areas

# LAN Services

## Cost Center 156202

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### Major activities/Cost Center Overview:

This service provides support and manages the Windows server infrastructure and supporting Microsoft application infrastructure. This includes 24/7 operational monitoring; problem detection, diagnosis, and resolution of related problem reports; preventive and corrective maintenance of the LAN servers and infrastructure applications. This service includes Windows authentication (Active Directory), file and print services, remote access services, DHCP IP address assignment, DNS services, virus protection services, hardware and OS support of all Windows servers.

LAN Administration includes provision of strategic infrastructure planning, standards, and configuration; implementation of operating standards; and ongoing maintenance of Local Area Network (LAN) hardware and software.

Services include the delivery of electronic mail using Microsoft Outlook. This service is provided through centralized mail servers interacting with mail software on the user's desktop. Service includes complete management of the messaging environment including administration of the Microsoft Outlook infrastructure and environment, connections from Microsoft Outlook to the Internet for the exchange of Internet mail, Blackberry email services, and the maintenance of Exchange servers that support the Microsoft Outlook.

This cost center includes management oversight of all TO Infrastructure.

### Assignment Method:

Fixed allocation to the following services:

- Business Technology Support
- LAN Client Specific

### Basis of Assignment:

Allocations are based upon the following:

1. Cost of maintenance for the products dedicated to the Business Technology Support Services
2. Devices monitored for desktop area
3. The cost of personnel dedicated to Business Technology Support Services
4. Servers and applications utilized by Business Units and Functional Areas

# Enterprise Systems Control

## Cost Center 156203

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### Major activities/Cost Center Overview:

This service provides 24/7 monitoring and technical support, problem detection, communication, diagnosis and/or assign/dispatch problems associated with mainframe computing and distributed platforms along with related hardware and software, environmental elements, and backup and recovery of data. This service includes job batch scheduling for critical and non-critical applications using an enterprise-wide job scheduler for all platforms. Disaster Recovery support is provided for mainframe and distributed applications.

### Assignment Method:

Fixed allocation to the following services:

- Systems Management and Automation
- LAN Services
- Unix Client Specific
- Enterprise Infrastructure
- Business Resiliency & Data Center Mgmt.
- SAP Infrastructure

### Basis of Assignment:

The above allocations depict the resource (personnel) requirements for Enterprise Systems Control by task, organization, and service.



# Network Operations

## Cost Center 156204

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### Major activities/Cost Center Overview:

Labor and employee related incurred costs for services such as: 24/7 operational support, problem detection, diagnosis and resolution of issues, preventative and corrective maintenance, configuration and capacity planning used to develop plans for installations or modifications. Staff is in direct support of the services to which the costs are allocated.

### Assignment Method:

Fixed allocation to following services:

- Business Technology Support Services
- LAN Services
- Enterprise Infrastructure
- Contact Center Technology
- Telephony/VoIP Services
- Business Resiliency & Data Center Mgmt
- Shared Services
- Houston Electric
- Houston Electric - AMS

### Basis of Assignment:

Allocation is based on resources (staff and tools) supporting the enterprise infrastructure.

# TO Plan Adjustments

## Cost Center 156205

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### **Major activities/Cost Center Overview:**

Cost object used to capture plan adjustments in order to meet TO budget targets

### **Assignment method:**

Costs are allocated to each Business Unit and Functional Area based on total TO O&M spend

### **Basis of assignment:**

Total budget is allocated based on total TO O&M spend

# Technology Security

## Cost Center 156207

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### **Major activities/Cost Center Overview:**

Technology Security's focus is to manage all technology security, risk and compliance.

Activities include:

- Enterprise Application Security
- Technology Operation Risk Management
- Control and Audit Compliance
- Network Security
- Cyber Security
- Threat and Vulnerability Management

### **Assignment method:**

Costs are allocated to each Business Unit and Functional Area based on total TO O&M spend.

### **Basis of assignment:**

Total budget is allocated based on total TO O&M spend.

# LAN Client Specific

## Cost Center 156209

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### **Major activities/Cost Center Overview:**

This service identifies hardware and software that is managed by Technology Operations and is unique to the Business Unit. The service provides the use and support of the Microsoft servers directly attributable to specific clients, along with related hardware and software, staff and environmental elements. Included are the hardware systems, operating system and related software, as well as operations and technical support functions. This service also includes any specialized software that is required by the Business Unit.

### **Assignment Method:**

Allocated to Business Units and Functional Areas based on hardware and software applications and resource support to specific Business Units and Functional Areas.

### **Basis of Assignment:**

Costs are allocated by Business Services on a percentage basis to client Business Units and Functional Areas based on hardware and software applications that each utilizes on the Microsoft servers. Services are allocated based on the number of servers, applications, and resources used by any given Business Unit or Functional Area. For example, if there are 100 servers total in the organization and 20 servers are dedicated to the Houston Electric Business Unit, 20% of the services are allocated to the Houston Electric Business Unit. Resources typically include CPU, disk space and/or memory above the current minimum standard configuration.

# Technology Systems Infrastructure & Ops

## Cost Center 156211

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### **Major activities/Cost Center Overview:**

Management oversight for Technology Systems Infrastructure and Operations

### **Assignment Method:**

Fixed allocation to following services:

- LAN Services
- SAP System Support
- Business Resiliency
- Storage & Mainframe Mgmt
- DBA Support
- Distributed Computing Platform

### **Basis of Assignment:**

Allocation is based on which resources (staff and tools) support the respective infrastructures/services.

# Storage & Mainframe Mgmt

## Cost Center 156212

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### Major activities/Cost Center Overview:

Storage and mainframe management and support

### Assignment Method:

Fixed allocation to following services:

- Infrastructure Storage
- Enterprise Infrastructure
- Mainframe CPU
- Unix Client Specific
- Business Resiliency
- Enterprise System Management Svcs
- SAP Infrastructure

### Basis of Assignment:

Allocation is based on which resources (staff and tools) support the respective infrastructures/services.

# SAP System Support

## Cost Center 156216

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### **Major activities/Cost Center Overview:**

This service provides 24/7 SAP database administration and BASIS support for SAP applications.

### **Assignment Method:**

Fixed allocation to following services:

- SAP Production Support

### **Basis of Assignment:**

Allocation is based on which resources (staff) support the respective infrastructures/services.

# Technology Consulting Services

## Cost Center 156219

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### Major activities/Cost Center Overview:

Management oversight and support to provide strategic direction for all aspects of the Technology Consulting Services area

### Assignment Method:

Fixed allocation to the following services:

- Business Technology Services
- Business User Support/Service Desk
- Back Office Support Services
- Organizational Readiness/Risk Management
- Business Technology Support
- Telephony/VoIP Support
- Market/Field/Logistics Solutions
- PMO Management
- Portfolio & Integration Mgmt

### Basis of Assignment:

Allocation methodology is based on staffing levels for the services and activities that are managed within Business Technology Support Services



# PMO Management

## Cost Center 156221

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### Major activities/Cost Center Overview:

Labor and employee related expenses associated with the Project Management Office.

### Assignment Method:

Administration costs are fixed allocations to services. Project Management Office assignment method is direct billed to Business Units and Functional Areas.

Fixed allocation to the following services:

- LAN Client Specific
- Infrastructure Storage
- Enterprise Infrastructure
- Mainframe CPU
- UNIX Client Specific
- Business Technology Support
- Business Resiliency & Data Center Mgmt.
- Systems Management & Automation
- Service Delivery Management
- Customer Solutions
- Technology Security
- Architecture Technology Risk
- Market/Field/Logistics Solutions
- Operational/Corporate Analytics

### Basis of Assignment:

Project Management Office allocation is direct billed to the areas that are supported by this activity

# Business Technology Services

## Cost Center 156222

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### **Major activities/Cost Center Overview:**

Business Technology Services provides technology management for both hardware and software. This includes desktop image development and testing, product road mapping, product standardization, and evaluations

### **Assignment Method:**

Fixed allocation to Business Technology Support Service

### **Basis of Assignment:**

The activities supported in the sub-service are allocated to Business Technology Support Service which is distributed based on login IDs.

# Business User Support/Service Desk

## Cost Center 156223

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### **Major activities/Cost Center Overview:**

The Technology Service Desk provides first point of contact for clients with technology issues and requests. The Technology Service Desk will receive, record, resolve or assign/dispatch, monitor, and track all trouble calls received. Methods of contact include the Service Now portal or telephone. . This includes recording requests/incidents, first level-resolution, assigning to second level if necessary and follow-up and tracking if needed. Desktop Support as second level assistance is supported for CNP Tower only. Desktop Support not only provides 2<sup>nd</sup> level support directly with the client, but also computer installs based on hardware refresh projects and service requests. Contact to the Service Desk can be made through telephone, or the Self-Service Portal (ServiceNow)

### **Assignment method:**

Costs are allocated to each Business Unit and Functional Area based on total TO O&M spend associated with the Business Technology Support activity.

### **Basis of assignment:**

Total budget is allocated to each Business Unit and Functional Area based on total TO O&M spend associated with the Business Technology Support activity.

# Architecture Technology Risk

## Cost Center 156225

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### **Major activities/Cost Center Overview:**

The Corporate Technology and Innovation team provides technology strategy, design, governance, vendor management and solutions for all CNP TO supported systems. This group's primary responsibility is to research and promote practical, innovative technology solutions that meet business requirements, solve business problems, support efficient operations, are sustainable, and serve to strategically advance the organization as well as maintaining good relationships with our Strategic Technology vendors. The primary mechanisms for achieving this purpose are the processes and procedures executed by and under the Technology Operations Governing Councils. Specific deliverables for this group include the Enterprise Architecture, I.T. Strategy, Vendor Management Processes, Individual and Integrated Solution Designs, and the Technology Governance Process. All CenterPoint (CNP) Information Technology Operations selections are subject to these considerations.

### **Assignment method:**

Cost are allocated to each Business Unit and Functional Area based on total TO O&M Spend.

### **Basis of assignment:**

Total budget is allocated based on total TO O&M spend.

# Customer Solutions

## Cost Center 156226

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### Major activities/Cost Center Overview:

Application design, development and administrative support for Gas, Electric , Home Services and CES Business Units, across SAP, Microsoft and IBM platforms.

Support of mission critical systems including Customer Information System(CIS), Consolidated Deregulated Market Revenue(CMR), Management Information System(MIS), MV-90(Electric), Service Management & Records Tracking(SMART), Itron & MV-90 Meter Reading

Support of SAP Customer Application :

- Manage and approve SAP application changes to SAP operating environment including upgrades and support packs
- CCS (Electric Market Transaction(IDE), EAM, EDM, Billing, Invoicing, Bill Print, Device Management, FICA, Gas Emergency Scripting, CIP, EAP etc.)
- CRM (Marketing, Sales, Contract Management, Unified Call Center, Preference Center, Credit and Collection, PAE & Correspondence)
- SD (Sales and Distribution)
- Support of CenterPoint Energy Web Applications:
  - CenterPointEnergy.com, HSPToday.com, MyCenterPointEnergy.com), UMR, StreetLight(Outage/Portal)
  - E-business support (My Account Online, CES Billing, etc.)
- Support of CenterPoint Energy Contact Center Telephony Applications:
  - CenterPoint Energy Interactive Voice Response (IVR), call routing, call reporting, call recording and outbound call applications.
- Support of Various Third Party Applications
  - Stream Serve
  - SABRIX
  - OpenText
  - EasyLink

Tools Support (SharePoint, HATS, IBM Websphere, Stone Bond, Team Foundation Server, Visual Studio, Web Trends, DCM, etc.)

Develop and maintain Enterprise Applications Strategic Plan

Implement Data Archiving Strategy

Prepare and coordinate Technical Recovery Plan

### Assignment method:

Direct billed to Business Unit and Functional Area specific projects through billable hour rate.

### Basis of assignment:

Shared hour distribution for Production Support. Specific hours distribution to Business Unit and Functional Area approved projects. A monthly over/under cost recovery true-up is allocated to Business Units and Functional Areas in proportion to annual planned billings.

# TO Advance Finance

## Cost Center 156231

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### **Major activities/Cost Center Overview:**

Provides SAP support for Finance and TO for the Advance Finance initiative.

### **Assignment Method:**

Direct billed to Business Unit and Functional Area specific projects through billable hour rate.

### **Basis of Assignment:**

Direct billed to Business Unit and Functional Area specific projects through billable hour rate. A monthly over/under cost recovery true-up is allocated to Business Unit in proportion to annual planned billings.

# Back Office Support Services

## Cost Center 156233

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### Major activities/Cost Center Overview:

This sub-service supports procurement of personal computers and peripheral hardware for business users which includes hardware refresh and life cycle management. Other activities include

- Hardware repair
- Hardware relocations and decommissioning
- Mobile device management
- Intern mentorship program
- Management of the Tech Ops CNP University SkillSoft portal (i.e. course selections, client notifications, etc.)
- Multifunction device management
- Hardware and Software asset management
- PC refresh management

### Assignment method:

- Fixed allocation to Business Technology Support Service
- Direct billed to Business Units and Functional Areas through activity billings based on number of multi-functional devices owned or leased by the client.

### Basis of assignment:

The activities supported in the sub-service are allocated to Business Technology Support Service which is distributed based on login IDs.

# Market/Field/Logistics Solutions

## Cost Center 156239

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### Major activities/Cost Center Overview:

Application/interface design, development and support for all business units, including the AMS/IG Programs.

- Major activities supported are:

Support of mission critical systems and interfaces that include EAI (Enterprise Application Integration Framework), TMH (Transaction Management Hub), Mobile Data, applications, plus support applications like FCS (Field collection services – i.e. ITRON system) and Home Service Plus (Minnesota Gas - HSP). Moreover, several AMS interfaces such as service orders, billing, and data sync are maintained.

- Support of Service Suite

- Manage the ABB Service Suite application
    - Manage configuration of ABB Service Suite application
    - Direct support and help to approximately 4,500 users

- Support of SAP

- Manage and approve SAP application changes to SAP operating environment including upgrades and support packs
    - Encompasses the following sub-functions:
      - Energy Delivery (supports Work Management Systems of SAP)
      - Environmental Health and Safety
      - Project Systems

- Other key applications areas supported:

- Web services
  - Tools Support (Oracle Fusion Middleware, Oracle Enterprise Manager)
  - Develop and maintain Enterprise Applications Strategic Plan
  - Support Enterprise Security applications such as CA Identity Minder, Site Minder, and SailPoint IIQ
  - Implement Data Archiving Strategy
  - Prepare and coordinate Technical Recovery Plan

### Assignment method:

Direct billed to Business Unit and Functional Area specific projects through billable hour rate.

### Basis of assignment:

Shared hour distribution for Production Support. Specific hours distribution to Business Unit and Functional Area approved projects. A monthly over/under cost recovery true-up is allocated to Business Units and Functional Areas in proportion to annual planned billings.



# Infrastructure Storage

## Cost Center 156246

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### **Major activities/Cost Center Overview:**

This service provides the use and support of mainframe storage platforms, along with related hardware and software, environmental elements, and backup/recovery of data. Included are the mainframe storage media (i.e. tape, disk), automated tape libraries, operating system related software, as well as operations and technical support functions. The service includes system availability that meet defined Service Level Agreements for storage. Support for this service includes 24/7 operations and monitoring with problem identification and resolution, the migration and automated scheduling of corporate applications, performance tuning, capacity planning and analysis, infrastructure management and architectural integration utilizing enterprise change management. Processing for offsite storage management and onsite storage management are available in this service. Disaster Recovery Services are provided for mainframe applications.

### **Assignment method:**

Direct billed to Business Units and Functional Areas through activity billing based on number of megabytes.

### **Basis of assignment:**

Each Business Unit's average monthly Direct Access Storage Device (DASD) volume usage is collected from the Service Management Facility (SMF) records. The Operating System and the Support Software DASD volumes are included in the volume calculations for each Business Unit and Functional Area based on their % of production usage. The workloads are reported for CNP- Houston Electric, Gas Operations and Business Services. A monthly over/under cost recovery true-up is allocated to Business Units and Functional Areas in proportion to annual planned billings.

# Enterprise Infrastructure

## Cost Center 156247

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### **Major activities/Cost Center Overview:**

This service is associated with support for common area servers and is primarily comprised of hardware and software maintenance. Processing for offsite storage management and onsite storage management are available in this service. Disaster Recovery Services are provided for distributed applications.

### **Assignment method:**

Costs are allocated to each Business Unit and Functional Area based on hardware and software applications and resource support to specific Business Units and Functional Areas.

### **Basis of assignment:**

Total budget is allocated to each Business Unit and Functional Area based on hardware and software applications and resource support to specific Business Units and Functional Areas.

# Mainframe CPU

## Cost Center 156248

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### **Major activities/Cost Center Overview:**

This service provides the use and support of mainframe computing, along with related hardware and software, staff, and environmental elements. Included are the mainframe processors, peripheral devices, operating system, related software as well as operations and technical support functions. The service includes 99.9% system availability during non-maintenance hours for the processors. Support for this service includes 24/7 operations and monitoring with problem identification and resolution, the migration and automated scheduling of corporate applications, performance tuning, capacity planning and analysis, infrastructure management and architectural integration which include the planning, design, acquisition and installation of hardware and software upgrades utilizing enterprise change management. Online report viewing and archival, distribution of mainframe reports to LAN printers are provided for corporate needs.

### **Assignment Method:**

Direct billed to Business Units and Functional Areas through activity billing based on number Central Processing Unit (CPU) seconds used.

### **Basis of Assignment:**

Each Business Unit's average monthly CPU usage is collected from the Service Management Facility (SMF) records. The Operating System and the Support Software CPU volumes are included in the volume calculations for each Business Unit and Functional Area based on their % of production usage. The workloads are reported for CNP- Houston Electric, Gas Operations and Business Services. A monthly over/under cost recovery true-up is allocated to Business Units and Functional Areas in proportion to annual planned billings.

# Unix Client Specific

## Cost Center 156249

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### **Major activities/Cost Center Overview:**

This service identifies hardware and software that is managed by Information Technology and is unique to the Business Unit. The service provides the use and support of the UNIX /Linux platforms and appliances directly attributable to specific clients, along with related hardware and software, staff and environmental elements. Included are the hardware systems, data storage, (i.e. tape, disk), automated tape libraries, operating system and related software, as well as operations and technical support functions. This service also includes any specialized software that is required by the Business Unit.

### **Assignment Method:**

Fixed allocation to Business Units and Functional Areas based on client specific hardware and software applications.

### **Basis of Assignment:**

Costs are allocated on a percentage basis to Business Units and Functional Areas based on hardware and software applications that the Business Unit or Functional Area utilizes on the midrange platforms.

# Contact Center Technology

## Cost Center 156250

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### **Major activities/Cost Center Overview:**

Contact Center Technology Service provides an agent connection to CNP's Automated Call Distribution phone system.

### **Assignment Method:**

Direct billed to Business Units and Functional Areas through activity billing based on number of ASPECT licenses.

### **Basis of Assignment:**

Based on planned activity associated with specific Business Units and Functional Areas. A monthly over/under cost recovery true-up is allocated to Business Units and Functional Areas in proportion to annual planned billings.

# Telephony/VoIP Services

## Cost Center 156256

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### **Major activities/Cost Center Overview:**

Telephone basic line includes support and maintenance of analog or digital line connections to CNP's private telephone switch network. VoIP activities are also included in the service (Cisco hardware/software maintenance, WebEx, etc.)

### **Assignment Method:**

Direct billed to Business Units and Functional Areas through activity billing based on number of phone lines.

### **Basis of Assignment:**

Monthly costs are distributed based on the Business Unit's or Functional Area's number of phone lines. A monthly over/under cost recovery true-up is allocated to Business Units and Functional Areas in proportion to annual planned billings.

# Voice Services – Moves/Adds/Changes

## Cost Center 156260

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### **Major activities/Cost Center Overview:**

Voice Services associated with telecommunication Moves, Adds and Changes. This includes accessing the appropriate system to make modifications (Call Manager, Unity Connection, etc.)

### **Assignment method:**

Direct billed to Business Units and Functional Areas through activity billing based on number of hours utilized to perform requested telecom changes.

### **Basis of assignment:**

Monthly costs are distributed based on the number of hours logged for each Business Unit and Functional Area. A monthly over/under cost recovery true-up is allocated to Business Units and Functional Areas in proportion to annual planned billings.

# Business Technology Support

## Cost Center 156261

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### **Major activities/Cost Center Overview:**

Business Technology Support provides 2<sup>nd</sup> level support directly with the client, and installs computers based on hardware refresh projects and service requests. Also provides same support to mobility workforce for both Gas and Electric users.

### **Assignment method:**

Direct billed to Business Units and Functional Areas through activity billings based on login IDs.

### **Basis of assignment:**

Monthly costs are distributed based on the Business Unit's or Functional Area's number of login IDs. A monthly over/under cost recovery true-up is allocated to Business Units and Functional Area in proportion to annual planned billings.



# Technical Operations

## Cost Center 156265

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### **Major activities/Cost Center Overview:**

TO Management costs to manage, lead and direct all aspects of the Technology Operations organization.

These areas include:

- Technology Systems Management
- Application Services
- Technology Consulting Services

### **Assignment method:**

Costs are allocated to each Business Unit and Functional Area based on total TO O&M spend

### **Basis of assignment:**

Total budget is allocated based on total TO O&M spend

# Operational/Corp Analytics

Cost Center 156266

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## Major activities/Cost Center Overview:

Application design, development and analytics support for all Business Units, including SAP BW and HANA Production support activities.

### Major activities supported are:

Support the development and maintenance of mission critical analytics Systems.

Situational Awareness for DVAL, the TSCC, the Service Centers and Gas Operations

Unbilled Revenue Estimation

The Treverity EDGE Platform: Interfacing with the new ADMS and Service Suite

Streams real time streaming data from Telecomms devices, the IGSDs and IT Systems

Real time Visualization of Events, Crews, PONS, Telecomms devices, IGSDs and others

Support of the eMA meter warehouse on Netezza(delete) and HANA reporting platform (TLM, Legacy TLM, ELM, Diversion, Future Financial reporting)

Development and support of the HANA Operational Warehouse correlation engine

Development and Support of HANA, Near Line Storage, Dynamic Tiering and Hadoop

- Manage and approve BW and HANA application changes to the operating environment including upgrades and support packs
- Manage and approve the movement of functionality from existing environments to HANA and NLS

### Other key applications areas supported:

Revenue Billing , Remittance, Customer Accounting, Credit, Write-offs, and Customer Accounts Receivable

Enterprise Mobile Data and interface with the New Service Suite and ADMS

Gas Management dashboards and Reports

Legal, Risk and Regulatory Case Management, Load studies and SAS on the Mainframe

Distribution Power Delivery

Customer Service

Develop and maintain Enterprise Analytics Strategic Plan and Analytics Center of Expertise

Support Enterprise Reporting Strategy using Business Warehouse as the core data warehouse solution for SAP and non-SAP data

Prepare and coordinate Analytics Technical Recovery Plan

Integration Solutions: Provides application development and production support for Retail Electric Market, non-market integration and middleware integrations

Asset Management Analytics & Reporting

## Assignment method:

Direct billed to Business Unit and Functional Area specific projects through billable hour rate.

## Basis of assignment:

Shared hour distribution for Production Support. Specific hours distribution to Business Unit and Functional Area approved projects. A monthly over/under cost recovery true-up is allocated to Business Units and Functional Areas in proportion to annual planned billings.

# Portfolio & Integration Management

Cost Center 156267

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## Major activities/Cost Center Overview:

The group is responsible for 3 key areas, Portfolio Management, Release and Integration Management and Testing Management.

- **Portfolio Management:** Facilitates planning, selection, and prioritization of technology projects to deliver expected benefits.
- **Release and Integration Management:** Facilitates planning, coordination and scheduling of new technology solutions and changes to the environment to ensure the effectiveness, quality, performance and integrity of the end-to-end solutions.
- **Testing Management:** Develops and maintains Testing Framework (methodology, tools, and controls). Provides testing services and support to project and solution teams

## Assignment method:

Costs are allocated to each Business Unit and Functional Area based on total TO O&M spend

## Basis of assignment:

Total administrative budget is allocated based on total TO O&M spend

# Vendor Management

## Cost Center 156268

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### Major activities/Cost Center Overview:

Project and Vendor management oversight and support to provide strategic direction for all aspects of these areas.

### Assignment Method:

Fixed allocation to the following services:

- Technology Security
- LAN Client Specific
- PMO Management
- Customer Solutions
- Market/Field/Logistics Solutions
- Operational/Corporate Analytics
- Org Readiness/Risk Mgmt
- Infrastructure Storage
- Enterprise Infrastructure
- Mainframe CPU
- UNIX Client Specific
- Business Technology Support
- Business Resiliency & Data Center Mgmt.
- Systems Management & Automation
- Service Delivery Management

### Basis of Assignment:

Allocation methodology is based on staffing levels for the services and activities that are managed within the Project and Vendor Management areas