

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
V-K-9.3 CUSTOMER OPERATIONS SKFs
TEST YEAR ENDED 12/31/2018
DOCKET NUMBER PENDING ASSIGNMENT
SPONSOR: M. TOWNSEND

2018 Call Minute SKFs (CO3)

Jurisdiction	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2018 Annual
HGO	781,373	729,108	719,541	713,355	703,075	705,022	707,530	767,015	622,494	774,213	735,014	665,020	8,622,759
Houston Electric	294,393	249,935	254,899	274,532	301,149	314,309	330,145	324,333	299,233	274,734	266,939	253,989	3,438,590
South TX	80,049	76,718	77,571	74,426	67,457	65,797	67,785	74,246	61,243	75,426	68,778	57,888	847,385
Arkansas	338,455	344,388	311,674	309,990	276,121	250,365	240,375	249,252	208,327	312,971	308,146	272,333	3,422,398
Beaumont	52,107	46,219	45,508	55,579	43,670	41,592	37,779	43,258	34,787	47,551	40,017	33,088	521,156
East Texas	89,499	81,375	80,818	79,956	72,324	66,564	67,947	75,666	62,396	80,690	73,526	56,219	886,979
Mississippi	76,734	68,112	70,181	66,311	58,832	54,237	53,223	57,313	46,281	60,551	65,583	52,090	729,448
Oklahoma	79,146	72,095	68,760	68,194	59,613	57,729	55,527	61,070	52,200	75,994	70,732	62,941	784,001
Texarkana	12,130	12,343	11,170	11,110	9,896	8,973	8,615	8,933	7,466	11,217	11,044	9,760	122,659
South LA	69,603	71,048	74,516	71,794	61,015	53,088	50,286	55,528	48,442	55,877	53,491	50,587	715,277
North LA	109,905	106,476	105,496	101,265	89,268	82,587	76,538	80,454	67,230	90,575	84,454	73,433	1,067,681
HSP South	-	-	-	-	-	-	-	21,768	37,023	70,379	66,930	158,818	354,918
Minnesota	439,501	364,192	387,415	439,350	542,614	470,310	442,669	453,618	376,684	472,111	402,913	435,827	5,227,204
Totals	2,422,895	2,222,008	2,207,552	2,265,861	2,285,036	2,170,574	2,138,419	2,272,455	1,923,806	2,402,290	2,247,566	2,181,992	26,740,454

2018 Customer Count SKFs (CTLRO)

2018 ALLOCATION FACTORS-GASOPS&CEHE (Based on Avg Customer Count for 12 mos end June 2017)		
Beaumont	85,120	1.48%
East Texas	105,295	1.83%
South Texas	142,393	2.47%
Houston	1,047,952	18.18%
Texas Coast	306,577	5.32%
Louisiana Entex	115,525	2.00%
Mississippi	124,404	2.16%
Arkansas	407,685	7.07%
Texarkana	14,503	0.25%
Louisiana Arkla	130,179	2.28%
Oklahoma	98,510	1.71%
Minnesota	849,963	14.75%
CEHE	2,336,206	40.53%
	<u>5,764,311</u>	<u>100.00%</u>

2018 Customer Count SKFs (CTLHSP)

2018 ALLOCATION FACTORS-GASOPS&CEHE (Based on Avg Customer Count for 12 mos end June 2017)		
Beaumont	85,120	1.42%
East Texas	105,295	1.76%
South Texas	142,393	2.38%
Houston	1,047,952	17.53%
Texas Coast	306,577	5.13%
Louisiana Er	115,525	1.93%
Mississippi	124,404	2.08%
Arkansas	407,685	6.82%
Texarkana	14,503	0.24%
Louisiana Ar	130,179	2.18%
Oklahoma	98,510	1.65%
Minnesota	1,063,858	17.80%
CEHE	2,336,206	39.08%
	<u>5,978,206</u>	<u>100.00%</u>

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
V-K-10 CONTROLS
TEST YEAR ENDED 12/31/2018
DOCKET NUMBER PENDING ASSIGNMENT
SPONSOR: M. TOWNSEND**

For a description of the controls in place during the Test Year to ensure appropriate billings for affiliate services, please see the attached schedule V-K-10.

Budgetary Planning

The current planning process at CenterPoint Energy, Inc. begins with a formal strategic planning process that provides for a formal annual review by all CenterPoint Energy, Inc. business units. As part of this process there are formal sessions in which the business units (or “Client Company”) meet with representatives of CenterPoint Energy Service Company, LLC (“CenterPoint Service Company”) to share relevant information that is used by the CenterPoint Service Company in developing the proposed annual budget. In addition to the formal meetings, there are ongoing meetings through out the year between representatives of CenterPoint Service Company and the business units to discuss and identify any planned decreases or increases in business activities that may effect future resource planning.

The current budgeting process for CenterPoint Service Company requires each functional area to meet with the respective business unit to determine future service needs, which may include both ongoing operations and project activities or unique one-time activities. Based upon the information provided by the business units to CenterPoint Service Company representatives, a proposed budget is developed by each functional group within CenterPoint Service Company. Once initial budgets are defined, meetings are held with the president of each of the business units along with his/her financial director and any appropriate support personnel. Based on the discussions with the business units, adjustments are made to the respective CenterPoint Service Company budgets, which are then incorporated into the business units’ budgetary plans.

The next step in the annual planning process is a review of the proposed business plans and corresponding budgets by each of the CenterPoint Service Company’s functional areas and business units with the Executive Committee. Upon final adjustments to proposed business plans and budgets, a presentation is made to the CenterPoint Energy Board of Directors.

The final step in the planning process is to develop the service level agreements (“SLAs”) to reflect the agreed upon services, pricing and performance standards. The final SLA’s are then distributed to respective business unit finance directors to coordinate a final review and signature of the business unit president.

Monitoring of Costs and Management Reporting

During the year, performance review meetings are held where each business unit head presents to the senior management team a recap of current month and year to date financial performance. These reports include a specific section for the billings from CenterPoint Service Company and explanations for deviations. In addition to the business units, each of the functional unit leaders of CenterPoint Service Company provide a recap of their respective financial performance and billings to the business units.

The preparation of these monthly reports is coordinated by the financial director employed by each business unit and reporting to the respective president. Part of the preparation of these reports requires a detailed review of the billings received by the business unit from CenterPoint Service Company to insure reasonableness and accuracy. Any discrepancies that are not evident in the billings are referred to the finance director for CenterPoint Service Company for further explanation.

Arms-Length Transactions

Each business unit has a finance director, reporting to the respective business unit president that is charged with overseeing that the services being provided by the service company are appropriately priced and periodic reviews of the billings are consistent with the annual SLA. To ensure the cost of services are competitive with the market, periodic reviews and assessments are performed through both benchmarking and outsourcing studies.

Cost Object Monitoring and Control

The CenterPoint Service Company Finance Organization is responsible for reviewing, monitoring, and maintaining the cost objects. The CenterPoint Service Company Finance Organization will also establish new cost objects. An annual review is required in addition to the day-to-day maintenance of the system. As part of the annual review, the CenterPoint Service Company Finance Organization monitors and close inactive cost objects.

Allocation Factors Update and Revisions

Allocation factors are based on cost drivers specifically applicable to the service provided. The CenterPoint Service Company Finance Organization has the primary responsibility for ensuring that allocation factors are correct, accurate and current. Allocation factors are updated annually, at year-end.

Allocation factors are updated quarterly to reflect year-to-date activity through that point in time. For example, allocation factors are updated after the first quarter reflecting year-to-date activity through the first quarter. These new factors are used in the second quarter. This process is repeated at the end of the second and third quarters.

The CenterPoint Service Company Finance Organization is responsible for evaluating new allocation methodologies. Allocation factors in effect for 2018 are set forth on Schedule V-K-9.1 through V-K-9.3.

Time Reporting

Certain CenterPoint Service Company employees keep time records supporting labor charged to separately identifiable goods and services performed for Client Companies. All time is entered into SAP either through an automated timekeeping system or through manual entry directly into SAP. Cost objects to which time entries relate are identified in the timekeeping system, and costs associated with those time entries are charged to the appropriate cost objects through SAP billings.

Employees record time weekly in a minimum of 30-minute increments. Departments may elect to record employee's time in increments smaller than 30-minutes to meet special needs. The employee's immediate supervisor reviews and approves time reports. Department Time

Coordinators review time entry monthly to insure 100% accountability and compliance.

Time records are maintained for at least six years.

Billing and Review

Monthly invoices are rendered by CenterPoint Service Company for services rendered. Invoices are, to the extent feasible, in the form of electronic reports in the SAP system. Charges are rendered during the first week of each month covering amounts incurred during the prior month. For most Client Companies, charges are invoiced through an SAP entry which journalizes the actual monthly charges on the customer's books on the first workday of the financial close. Charges are based on actual amounts incurred. If allocations are required, they are based on estimated values based on estimates in budget plans for the relevant values. Estimated amounts are adjusted on subsequent charges either in a subsequent month or at the end of the year. Payment are made by the Client Company by making remittance or by making (offsetting) accounting entries of the amount billed.

Management of each Client Company is responsible for reviewing invoices from CenterPoint Service Company to determine accuracy and appropriateness of charges.

CenterPoint Service Company's billing system will use 17 C.F.R. Section 256 et. al, the "Uniform System of Accounts for Mutual Service Companies", established by the Commission for holding company systems, as may be adjusted to use the FERC uniform system of accounts. ServiceCo will support its charges with reasonable documentation (which may be maintained in electronic form). ServiceCo will make adjustments to charges as required to reflect the discovery of errors or omissions in the charges.

Dispute Resolution Procedure

From time to time, disputes may arise regarding the services and products provided by CenterPoint Service Company. The employees of the Client Company and the employees of CenterPoint Service Company are encouraged to resolve those disputes on an informal basis in as timely a manner as possible, and the CenterPoint Service Company agrees, upon reasonable request, to provide access to relevant books and records. However, if during the course of the year a dispute arises as to the scope of any service or the nature of any product, the delivery terms, the related performance metrics and standards, or the price for any service or product which cannot be resolved on an informal basis, the Client Company and CenterPoint Service Company will resolve the dispute using the following procedures:

A. A supervisor or manager of the Client Company who is responsible for the use of the service or the consumption of the product about which there is a dispute will notify in writing, or by email, a supervisor or manager of CenterPoint Service Company who is responsible for providing the service or product of the nature of the dispute, including specific examples of problems or failures which gave rise to the dispute. The supervisor or manager of the Client

Company shall also present a proposed resolution of the dispute and propose a date and time for a meeting to resolve the dispute. The supervisor or manager of CenterPoint Service Company shall acknowledge in writing, or by email, his or her receipt of the notice of the dispute and agree to the meeting, suggest an alternative date and time for the meeting proposed by the supervisor or manager of the Client Company, or contact the supervisor or manager of the Client Company to schedule a meeting date and time that the two may agree upon.

B. The supervisor or manager of the Client Company and the supervisor or manager of CenterPoint Service Company may meet as often as both agree is necessary to resolve the complaint, and their meeting or meetings may include such other employees as may be helpful in resolving the dispute. If after such meeting or meetings, but in no event later than thirty days after the initial notice of the dispute was given, the supervisor or manager of the Client Company and the supervisor or manager of CenterPoint Service Company are unable to resolve the dispute, the dispute shall be referred to the appropriate executive of the Client Company and an executive of CenterPoint Service Company for resolution.

C. The executive of the Client Company and the executive of CenterPoint Service Company shall meet at a date and time or dates and times they mutually agree upon. Such meetings or meetings may include any employees either executive believes will be helpful in resolving the dispute. If, after such meeting or meetings, the executive of the Client Company and the executive of CenterPoint Service Company reasonably believe they cannot resolve the dispute, the dispute shall be referred to the most senior executives of the Client Company and of CenterPoint Service Company for resolution in accordance with whatever procedures senior management may establish.

Internal Audit Control

Internal Audit, under the direction of the Vice President of Audit Services, conducts periodic reviews of CenterPoint Service Company's business processes and systems to ensure that the services provided are properly documented and charged to the Client Companies on an appropriate basis. Reviews are performed such that all major service areas are evaluated over time. Internal Audit also conducts reviews of transactions and cost object charge methods to assess whether they comply with SEC requirements.

Internal Audit maintains an independent role and has direct contact to CenterPoint Energy's Audit Committee. Audit findings, recommendations and progress toward resolution of findings are reported to the Audit Committee and Senior Management as appropriate.

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
V-K-11 AFFILIATE BILLING METHODS
TEST YEAR ENDED 12/31/2018
DOCKET NUMBER PENDING ASSIGNMENT
SPONSOR: M. TOWNSEND**

For a description of the affiliate billing methods, please see the attached schedule V-K-11.

Procedure for Calculating and Updating Statistical Key Figures (SKFs) for CNP Service Company (0002)

Purpose

The purpose of this procedure is to define the various SKFs used to allocate costs from selected CNP Service Company cost centers and to describe the process to follow to calculate the SKFs on a quarterly basis and for the five-year plan and finally to describe the process for uploading the SKFs into SAP.

SKF Definitions

In general, SKFs are used to allocate costs from certain CNP Service Company cost centers to the following:

- 1) CenterPoint Energy Houston Electric
- 2) Arkla
- 3) Entex
- 4) CenterPoint Energy Services
- 5) Intrastate Pipelines
- 6) Minnesota Gas
- 7) Properties
- 8) Holding Company
- 9) CNP Home Serve
- 10) Truecost
- 11) CNP Service Company Functional Areas (Finance, Shared Services and IT for most Headcount SKFs; plus Communications, Legal, Regulatory and Regulated Operations for Wellness Headcount, HEADW, SKF).

There are several SKFs which are used for different purposes, as follows:

- 1) Composite Ratio (COMP) – As its names implies, this SKF is a composite of the weighting of three different ratios (Assets – 40%, Gross Margin – 40%, and Active Employee Headcount – 20%). This SKF is used to allocate those cost centers which have both an internal and an external stakeholder focus to the Business Units. This SKF allocates to Business Units 1-10 above.
- 2) Composite Ratio A (COMP A) – This is similar to the COMP SKF except that it is only based on the weighting of the ratios as they apply to Business Units 1, 4, 5, and 8 above. This SKF is used to allocate certain Regulated Operations cost centers to these Regulated Operations Business Units.
- 3) Composite Ratio B (COMP B) – This is similar to the COMP SKF except that it is only based on the weighting of the ratios as they apply to Business Units 4, 5, and 8 above. This SKF is used to allocate certain Regulated Operations Gas Management cost centers to these Regulated Gas Business Units.

- 4) Assets (ASSETS) – This SKF is used to allocate to the Business Units cost centers which are primarily focused on external stakeholders. This SKF allocates to Business Units 1-10 above. SKFs ASSETA, ASSETD, and ASSETE are similar to ASSETS in that they also allocate to all Business Units 1-10, however, they are used by different functional areas.
- 5) ASSETF is similar to ASSETS, except that it only allocates to the CenterPoint Energy Resources Corp (CERC) Business Units, numbers 2-8 above. It is used to allocate certain legacy CERC Officer and Director costs.
- 6) Operating Expenses (OPEX) – The Operating Expense SKF is used to allocate to the Business Units cost centers (other than those supporting employees) which are primarily focused on internal stakeholders. This SKF allocates to Business Units 1-10 above.
- 7) OPEXB is similar to OPEX, except that it only allocates to the CenterPoint Energy Resources Corp (CERC) Business Units, numbers 2-8 above. It is used to allocate certain legacy CERC Officer and Director costs.
- 8) OPEXD is similar to OPEX, except that it only allocates to the Regulated Operations Business Units, numbers 1, 4, 5, and 8 above. This SKF is used to allocate certain Regulated Operations cost centers to these Regulated Operations Business Units.
- 9) OPEXE is similar to OPEX, except that it only allocates to the Gas Operations Business Units, numbers 4, 5, and 8 above. This SKF is used to allocate certain Regulated Operations Gas Management cost centers to these Regulated Gas Business Units.
- 10) Headcount (HEADA) – The Headcount SKF is used to allocate cost centers which support employees (HR, Payroll and certain Communications costs). HEADA includes Active Employees and Retirees and is allocated to Business Units 1-10 above plus Finance, Information Technology and Business Support Services.
- 11) HEADB is allocated to the same Business Units and Functional Areas as HEADA but does not include Retirees.
- 12) HEADE is allocated to the same Business Units and Functional Areas as HEADA but includes Inactive Employees.
- 13) HEADF is the same as HEADB and is allocated to the same Business Units and Functional Areas as HEADB excluding Minnesota Gas.
- 14) HEADG is the same as HEADB but is only allocated to the CenterPoint Energy Resources Corp (CERC) Business Units, numbers 2-8 above.
- 15) HEADU is the Union Headcount. Currently, only Business Units 1 and 5 above have Union headcount.
- 16) HEADW is the Wellness Headcount and includes the employees in Business Units 1-10 above located in CenterPoint Energy Tower (CNP-T) plus the employees for the following Functional Areas located in CNP-T: Corporate Communications, Legal, Regulatory, Regulated Operations, Information Technology, Business Support Services, and Finance.

Information Required for Calculating SKFs

Since the Plan SKF calculation builds off either the 2nd or 3rd quarter calculations, the first information that will be needed is for the quarterly calculations.

Quarterly SKF Calculations

SKFs are updated three times per year: In April, which includes actual through March and provides SKFs that are used April through June; in July, which includes actual through June and provides SKFs that are used July through September; and in October, which includes actual through September and provides SKFs that are used October through December.

There are five main categories of data that are required:

- Financial Data Actual – This includes Quarterly Income Statements and prior 12-month Average Balance Sheets for the Business Units
- Financial Data Plan – This includes monthly Income Statements by Business Unit for remainder of current year
- Headcount Data – This includes Active Employees, Retirees, Inactive Employees, Union Employees and Wellness Employees (those located in CNP-T)
- Regulated Asset Data
- Call Center Call Volume percentage split

The sources for each of these categories of data are:

- Financial Data Actual and Plan – Financial Planning and Performance Management
- Headcount Data – HR Information Systems
- Regulated Asset Data – Financial Accounting
- Call Center Call Volume percentage split – Customer Operations Reporting

Financial Data

A sample of the Quarterly Income Statements and prior 12-month Average Balance Sheets is included in the Business Services Team Goals folder: <Its:\BS\SS\Team Activities\Bus Svcs Team Goals>

The spreadsheet in which the SKF calculations are performed is designed to contain all documentation used in the calculations. To accommodate that, there are tabs in the spreadsheet where the Income Statements and Balance Sheets are copied. These are labeled “Company XX Avg BS” and “Business Unit QTD IS”. In addition, there are tabs where these numbers are entered for either the Asset calculation (Balance Sheet data) or Gross Margin and Opex calculation (Income Statement data). These are labeled “Business Unit bal sht” and “Business Unit inc stmt”. From these tabs, the calculated data will flow to the appropriate summary tabs.

The Income Statement data will only provide the prior 3 months of actual data. For updates during the year, sufficient plan data is required to have a complete calendar year. A sample of the data is included in the Business Services Team Goals folder: <Its:\BS\SS\Team Activities\Bus Svcs Team Goals>

The data is copied onto tab “XXX-Dec Plan Data”. From there it flows to the business unit income statement tabs to provide a complete 12 months of Gross Margin and Operating Expense data.

Headcount Data

The Headcount Data will be provided in detail (with employee name, number, cost center and organizational unit) in the categories shown above sorted by company code. This is copied into the spreadsheet on the appropriate tab. The active and retiree details for Company 0002 are also copied onto separate tabs on which they will be assigned to a Functional Area based on the cost center and/or organizational unit. This Company 0002 breakdown is required as some cost centers are allocated to specific Company 0002 functions based on headcount. The headcounts for the business units and functional areas will flow from these tabs to the appropriate cell on the Headcount tab.

Regulated Asset Data

The TDU Regulated Asset is added to the CEHE Balance Sheet as part of the calculation of CEHE Assets. This information from Electric Financial Accounting is entered on the "Reg Asset Source" tab in the SKF spreadsheet. It is also entered on the "Reg Asset" tab, which is used to classify the Regulated Assets by Company with the portion classified as Company 0003 being added to the CEHE Balance Sheet.

Plan SKF Calculations

Typically, plan SKFs are run twice during the planning process. The first time is during the 3rd quarter and uses plan SKFs from the prior year's five-year plan; while the 2nd time is in the 4th quarter and builds off the 3rd quarter calculations. The asset amounts reflected in the 3rd quarter calculations form a starting point for the plan asset amounts.

For the Plan SKF calculations, the following data will be required:

- Financial Data Plan:
 - o Operating Income Forecast calculations by business unit for remainder of current year
 - o Operating Income Plan calculations by business unit by year for the plan period
 - o Capital Expenditure and Depreciation & Amortization Forecasts by business unit for remainder of current year
 - o Capital Expenditure and Depreciation & Amortization Plans by business unit by year for the plan period

Calculating each SKF

As indicated above, there are four primary categories of SKFs (with variations within these categories), as follows:

- Assets
- Operating Expense
- Headcount
- Composite Ratio (Requires Gross Margin)

The following provides information on how each of these are calculated in the SKF spreadsheet.

Assets

The specific steps followed in calculating the Asset SKF are shown below:

Step	Action
Quarterly Updates	
1	Request the business units' 12-month rolling average balance sheets from the Corporate Accounting group
2	Copy these onto the appropriate tab in the SKF calculation spreadsheet: "Company XX Avg BS". This provides for documentation of the data source within the spreadsheet.
3	Enter these numbers on the Asset calculation tabs. These are labeled "Business Unit bal sht".

4	<p>One this data has been entered on the appropriate tabs, the Asset SKF will be calculated at the bottom of the tabs, as follows:</p> <p>Total Assets Plus TDU Reg Asset including liability (net) Less Investments in Subsidiaries Less Reg Asset Less Goodwill Less Gas Payables Less ST Non-trading derivative Less LT Non-trading derivative Less LT Regulatory Liability (Net reg) Less Current Regulatory Liability (Net reg) Plus Current FIT payable (reclass) (1) Plus Deferred FIT payable (reclass) (1) Plus LT FIT payable (reclass) (1) Plus Cur state income tax payable (reclass) (1) Plus Def state inc tax payable (reclass) (1) Plus LT deferred state inc tax liab (reclass) (1)</p> <p>Asset SKF</p> <p>(1) These reclassifications are only made if the current, deferred, or long FIT or SIT payable balance is negative (an asset)</p>
5	<p>The first line item being added above, TDU Reg Asset including liability (net), represents the TDU portion of Regulated Assets. Regulated Asset Data is requested from Electric Financial Accounting. Once this information has been received, it is entered on the "Reg Asset Source" tab in the SKF spreadsheet. It is also entered on the "Reg Asset" tab, which is used to classify the Regulated Assets by Company with the 12-month average for the portion classified as Company 0003 being added to the CEHE Balance Sheet as shown above.</p>
6	<p>The Assets calculated on the "bal sht" tabs flows to the Asset Calc tab where it is used for the various Assets SKF calculations.</p>
7	<p>Input resulting Asset SKFs by business unit into SAP (see input instructions below)</p>
Plan	
8	<p>The initial Plan SKF figures used are typically based on the final SKF calculations from the prior year 5-Year Plan. The first time new Plan SKFs are calculated is typically after the 3rd quarter update has been completed and is based on that 3rd quarter update.</p>
9	<p>The plan Operating Income, and Capital Expenditure and Depreciation & Amortization is copied onto the "20XX-20XX Plan Data" tab.</p>
10	<p>The Assets for each year are developed by SBU starting with the 12-month average Assets that flowed to the Asset Calc tab as described in number 6 above.</p>
11	<p>To develop the Assets for each year of the plan, the following process is followed:</p> <p>September Assets</p>

	Plus: 4 th Quarter of Current Year Capital Expenditures (from "20XX-20XX Plan Data" tab) Less: 4 th Quarter of CY Depreciation & Amortization (from "20XX-20XX Plan Data" tab) Plus: Plan 1 st Year Capital Expenditures (from "20XX-20XX Plan Data" tab) Less: Plan 1 st Year Depreciation & Amortization (from "20XX-20XX Plan Data" tab) Equals: Plan 1 st Year Assets Plus: Plan 2 nd Year Capital Expenditures (from "20XX-20XX Plan Data" tab) Less: Plan 2 nd Year Depreciation & Amortization (from "20XX-20XX Plan Data" tab) Equals: Plan 2 nd Year Assets This process continues for the five-year plan period
12	Input resulting Asset SKFs by business unit into SAP (see input instructions below)

Operating Expense

The specific steps followed in calculating the Operating Expense (OpEx) SKF are shown below:

Step	Action
Quarterly Updates	
1	Request the business units' prior quarter Income Statements from the Corporate Accounting group
2	Copy these onto the appropriate tab in the SKF calculation spreadsheet: ""Business Unit QTD IS". This provides for documentation of the data source within the spreadsheet.
3	Enter these numbers on the business unit Income Statement tabs. These are labeled "Business Unit inc stmt".
4	Request the monthly Income Statements by Business Unit for remainder of current year.
5	Copy this onto the tab "XXX-Dec Plan Data". This provides for documentation of the data source within the spreadsheet.
6	Make sure the data flows from this tab to the appropriate "Business Unit inc stmt" tabs.
7	<p>Once this data has been entered on the appropriate tabs, the Opex SKF will be calculated at the bottom of the tabs, as follows:</p> <p>Total Operating Expenses</p> <p>Less: Natural Gas and Fuel</p> <p>Less: IC Natural Gas & Fuel</p> <p>Equals Operating Expense SKF</p>

	Note: Because actual Income Statement data is provided in whole dollars, the Operating Expense SKF calculated using actual data is divided by 1,000,000 to be consistent with the plan data used for the remainder of the current year.
8	The OpEx calculated on the "inc stmt" tabs flows to the OpEx Calc tab where it is used for the various OpEx SKF calculations.
9	Input resulting OpEx SKFs by business unit into SAP (see input instructions below)
Plan	
10	The initial Plan SKF figures used are typically based on the final SKF calculations from the prior year 5-Year Plan. The first time new Plan SKFs are calculated is typically after the 3 rd quarter update has been completed and is based on that 3 rd quarter update.
11	The plan Operating Income, and Capital Expenditure and Depreciation & Amortization is copied onto the "20XX-20XX Plan Data" tab.
12	The Operating Expense figures provided for number 11 above already have Natural Gas and Fuel subtracted and are, therefore, ready to include as is.
13	Make sure the data flows from this tab to the appropriate "Business Unit inc stmt" tabs.
14	The OpEx calculated on the "inc stmt" tabs flows to the OpEx Calc tab where it is used for the various OpEx SKF calculations.
15	Input resulting OpEx SKFs by business unit into SAP (see input instructions below)

Headcount

The specific steps followed in calculating the Headcount SKF are shown below:

Step	Action
Quarterly Updates	
1	Request Headcount Data, including Active Employees, Retirees, Inactive Employees, Union Employees and Wellness Employees (those located in CNP-T) from HR Information Systems
2	Copy this onto the appropriate Headcount tab in the SKF calculation spreadsheet. This provides for documentation of the data source within the spreadsheet.
3	The active and retiree details for Company 0002 are also copied onto separate tabs on which they will be assigned to a Functional Area based on the cost center and/or organizational unit. This Company 0002 breakdown is required as some cost centers are allocated to specific Company 0002 functions based on headcount.
4	The headcount data entered on the various headcount tabs will ultimately flow to the Headcount Calc tab and be used for the various Headcount SKFs.
5	Request the Call Center Call Volume percentage split -- Azalia Garcia (Coordinator Network Ctrl- Reg Ops Call Ctr Operations).
6	The Call Center Call Volume percentage split data is entered on the "Call Center Headcount" and the source and date indicated for documentation purposes. This is used to allocate the call center cost centers (159032, 159033, 159034, and 159035) to the Regulated Operations business units for purposes of allocating cost centers which are allocated based on headcount.
7	The sequence of Headcount SKF calculations is as follows:

	<ol style="list-style-type: none"> 1) HEADB – Active Employees for Business Units and for Information Technology, Business Support Services and Finance. Regulated Operations Business Units include the allocation of the Call Center Headcount as described in 6 above 2) HEADA – HEADB plus Retirees. Company 0016 Retirees are allocated to CERC Business Units based on the combination of Active and Retired employees for those CERC Business Units. 3) HEADE – HEADA plus Inactive Employees. 4) HEADF – HEADB Excluding Minnesota Gas. 5) HEADG – HEADB Headcount for only CERC Companies. 6) HEADU – Union Headcount as provided by HR. 7) HEADW – Headcount located in CenterPoint Energy Tower (CNP-T) as provided by HR.
8	Input resulting Headcount SKFs by business unit into SAP (see input instructions below)
Plan	
9	The initial Plan SKF figures used are typically based on the final SKF calculations from the prior year 5-Year Plan. The first time new Plan SKFs are calculated is typically after the 3 rd quarter update has been completed and uses actual September 30 Headcount based on that 3 rd quarter update.

Composite Ratio

The Composite Ratio is comprised of the following components and weightings:

- Gross Margin 40%
- Assets 40%
- HEADA 20%

The specific steps followed in calculating the Composite Ratio SKF are shown below:

Step	Action
Quarterly Updates	
The steps for calculating Assets and HEADA have been described above. Steps 1-7 outline the steps for calculating Quarterly Update Gross Margin, while steps 8 and 9 address the Composite Ratio.	
1	Request the business units' prior quarter Income Statements from the Corporate Accounting group
2	Copy these onto the appropriate tab in the SKF calculation spreadsheet: ""Business Unit QTD IS". This provides for documentation of the data source within the spreadsheet.
3	Enter these numbers on the business unit Income Statement tabs. These are labeled "Business Unit inc stmt".
4	Request the monthly Income Statements by Business Unit for remainder of current year.
5	Copy this onto the tab "XXX-Dec Plan Data". This provides for documentation of the data source within the spreadsheet.
6	Make sure the data flows from this tab to the appropriate "Business Unit inc stmt" tabs.

7	<p>One this data has been entered on the appropriate tabs, Gross Margin will be calculated at the bottom of the tabs, as follows:</p> <p>Total Revenues</p> <p>Less: Natural Gas and Fuel</p> <p>Less: IC Natural Gas & Fuel</p> <p>Equals Gross Margin</p> <p>Note: Because actual Income Statement data is provided in whole dollars, the Gross Margin calculated using actual data is divided by 1,000,000 to be consistent with the plan data used for the remainder of the current year.</p>
8	The Gross Margin calculated on the "inc stmt" tabs flows to the Composite Calc tab where it is used for the various Composite SKF calculations.
9	Input resulting Composite Ratio SKFs by business unit into SAP (see input instructions below)
Plan	
The steps for calculating Assets and HEADA have been described above. Steps 10-xx outline the steps for calculating Plan Gross Margin, while steps 8 and 9 address the Composite Ratio.	
10	The initial Plan SKF figures used are typically based on the final SKF calculations from the prior year 5-Year Plan. The first time new Plan SKFs are calculated is typically after the 3 rd quarter update has been completed and is based on that 3 rd quarter update.
11	The plan Operating Income, and Capital Expenditure and Depreciation & Amortization received from Ryan Harper (Financial Analyst IV-Corp Fin Ping & Perf) is copied onto the "20XX-20XX Plan Data" tab.
12	The Gross Margin figures provided for number 11 above already have Natural Gas and Fuel subtracted and are, therefore, ready to include as is.
13	Make sure the data flows from this tab to the appropriate "Business Unit inc stmt" tabs.
14	The Gross Margin calculated on the "inc stmt" tabs flows to the Composite calc tab where it is used for the various Composite Ratio SKF calculations.
15	Input resulting Composite Ratio SKFs by business unit into SAP (see input instructions below)

Uploading SKFs into SAP

The following steps outline the process for uploading SKFs into SAP

Monthly input of Quarterly Update SKFs	
1	<p>There is an Excel upload file located at the following address:</p> <p>Its:\BS\SS\Corporate Monthly Earnings\20XX\SKFs\20XX SKF Uploads\ Cost Center Actual SKF Postings- Month 20XX.xls</p>
2	<p>This should be populated with the following:</p> <ul style="list-style-type: none"> - Employee ID - Date (last day of the month) - Document header text (Month SKF Year)

	<ul style="list-style-type: none"> - Final Settlement Cost Center - SKF Name - SKF Value - Line item text (SBU or Business Services function)
3	In the Security Warning area click on Options, select Enable this content and click OK.
4	Make sure this is the only Excel file open.
5	Press Control-R to begin upload
6	Log into SAP when prompted. Click on system and choose a production SAP system and login.
7	Check for error messages.
8	Run the 1KMA report in SAP and confirm the figures loaded match the ones calculated.
9	If errors need to be corrected, the SKFs which are in error need to be reversed first and then the new SKFs loaded. Failure to do this will result in adding the new SKFs to the SKFs that were in error.
Plan input of SKFs	
10	There is an Excel upload file located at the following address: Its:\BS\ISS\BUDGET\09 Budget\SKFs\Uploads\ Plan SKFs upload Dec_assets & headcount-20XX.xls
11	This should be populated with the following: <ul style="list-style-type: none"> - Version (A00) - Year (5 years are loaded by year) - SKF Name - Final Settlement Cost Center - Jan-Dec SKF Value for the year
12	In the Security Warning area click on Options, select Enable this content and click OK.
13	Make sure this is the only Excel file open.
14	Press Control-R to begin upload
15	Log into SAP when prompted. Click on system and choose a production SAP system and login.
16	Check for error messages.
17	Run the 1KMA report in SAP and confirm the figures loaded match the ones calculated.
18	If errors need to be corrected, the correct amount can just be loaded and it will replace the incorrect amount.
Forecast input of SKFs	
10	There is an Excel upload file located at the following address: Its:\BS\ISS\Corporate Monthly Earnings\20XX\SKFs\20XX SKF Uploads\Cost Center Forecast SKF Postings MMM 20XX.xls
11	This should be populated with the following: <ul style="list-style-type: none"> - Version (F01) - Year (current year) - SKF Name - Final Settlement Cost Center - Jan-Dec SKF Value for the year

	<p>For purposes of Forecast SKFs, the following rules apply:</p> <ul style="list-style-type: none"> - Prior to the April Update, Forecast SKFs = Plan SKFs for Jan-Dec - After the April Update, Forecast SKFs = Plan SKFs for Jan-Mar, and Forecast SKFs = April Update SKFs for Apr-Dec - After the July Update, Forecast SKFs = Plan SKFs for Jan-Jun, and Forecast SKFs = July Update SKFs for Jul-Dec - After the October Update, Forecast SKFs = Plan SKFs for Jan-Sep, and Forecast SKFs = October Update SKFs for Oct-Dec
12	In the Security Warning area click on Options, select Enable this content and click OK.
13	Make sure this is the only Excel file open.
14	Press Control-R to begin upload
15	Log into SAP when prompted. Click on system and choose a production SAP system and login.
16	Check for error messages.
17	Run the 1KMA report in SAP and confirm the figures loaded match the ones calculated.
18	If errors need to be corrected, the correct amount can just be loaded and it will replace the incorrect amount.

PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 V-K-12-1 AMOUNTS BILLED TO CEHE
 TEST YEAR ENDED 12/31/2018
 DOCKET NUMBER PENDING ASSIGNMENT
 SPONSOR: M. TOWNSEND
 (THOUSANDS OF DOLLARS)

Line No.	1 Billing Method	2 Class / Functional Area	3 Affiliate	4 Amount	5 Percent
1	Affiliate Billings to CenterPoint Energy Houston Electric :				
2					
3	Customer Count	Distribution Support	0082 - CenterPoint Energy Entex	135	0.16%
4					
5		Meter Reading	0082 - CenterPoint Energy Entex	31	0.04%
6					
7	Customer Count Total			166	
8					
9					
10					
11	Direct	Distribution Support	0082 - CenterPoint Energy Entex	7,727	9.30%
12					
13		Distribution Support-General	0082 - CenterPoint Energy Entex	1	0.00%
14					
15		Pass Through(1)	0002 - CNP Service Company, LLC	29,581	
16			0016 - CNP Resources Corp.	9	
17			0056 - CNP Properties, Inc	32	
18			0062 - CenterPoint Energy Arkla	56	
19			0072 - CNP Minnesota Gas	149	
20			0077 - CenterPoint Energy Services, Inc	1	
21			0082 - CenterPoint Energy Entex	255	
22			0299 - CenterPoint Energy, Inc	44,009	
23			0354 - CenterPoint Energy Service Co Money Pool Division	1,109	
24				75,201	90.47%
25					
26		Transportation	0082 - CenterPoint Energy Entex	9	0.01%
27					
28	Direct Total			82,938	
29					
30	Fixed Percentage	Distribution Support	0082 - CenterPoint Energy Entex	23	0.03%
31					
32	Fixed Percentage Total			23	
33					
34	Affiliate Billings to CenterPoint Energy Houston Electric*			83,127	100.00%
35	*(see non-pass through transactions with CenterPoint Energy Service Company on separate schedule)				

PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 V-K-12-1 AMOUNTS BILLED TO CEHE
 TEST YEAR ENDED 12/31/2018
 DOCKET NUMBER PENDING ASSIGNMENT
 SPONSOR: M. TOWNSEND
 (THOUSANDS OF DOLLARS)

Line No	1 Billing Method	2 Class / Functional Area	3 Affiliate	4 Amount	5 Percent
36					
37					
38	CenterPoint Energy Houston Electric billings to Affiliates :				
39					
40	# of Circuits	Data Circuit Management	0002 - CNP Service Company, LLC	(22)	
41			0056 - CNP Properties, Inc	(10)	
42			0062 - CenterPoint Energy Arkla	(98)	
43			0082 - CenterPoint Energy Entex	(421)	
44				<u>(551)</u>	1.87%
45					
46	# of CircuitsTotal			(551)	
47					
48	# of Security Devices	Distribution Support	0002 - CNP Service Company, LLC	(1)	
49			0056 - CNP Properties, Inc.	(75)	
50			0062 - CenterPoint Energy Arkla	(8)	
51			0072 - CNP Minnesota Gas	(15)	
52			0077 - CenterPoint Energy Services, Inc	(1)	
53			0082 - CenterPoint Energy Entex	(30)	
54			0086 - CenterPoint Mobile Energy Solutions, Inc.	(1)	
55				<u>(131)</u>	0.44%
56					
57	# of CircuitsTotal			(131)	
58					
59	Customer Count	Distribution Support	0062 - CenterPoint Energy Arkla	(218)	
60			0072 - CNP Minnesota Gas	(283)	
61			0082 - CenterPoint Energy Entex	(644)	
62				<u>(1,145)</u>	3.88%
63					
64	Customer Count Total			(1,145)	
65					
66	Direct	Distribution Support	0002 - CNP Service Company, LLC	(95)	
67			0056 - CNP Properties, Inc	(8)	
68			0062 - CenterPoint Energy Arkla	(1)	
69			0072 - CNP Minnesota Gas	(3)	
70			0082 - CenterPoint Energy Entex	(15)	
71			0413 - CenterPoint Energy Electric Services, LLC	(12)	
72				<u>(134)</u>	0.45%
73					
74		Distribution Support - General	0002 - CNP Service Company, LLC	(39)	
75			0062 - CenterPoint Energy Arkla	(1)	
76			0072 - CNP Minnesota Gas	(7)	
77			0082 - CenterPoint Energy Entex	(4)	
78				<u>(51)</u>	0.17%
79					

PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 V-K-12-1 AMOUNTS BILLED TO CEHE
 TEST YEAR ENDED 12/31/2018
 DOCKET NUMBER PENDING ASSIGNMENT
 SPONSOR: M. TOWNSEND
 (THOUSANDS OF DOLLARS)

Line No.	1 Billing Method	2 Class / Functional Area	3 Affiliate	4 Amount	5 Percent
80		Distribution Support - Surveying	0016 - CNP Resources Corp.	1	
81			0056 - CNP Properties, Inc.	(5)	
82			0062 - CenterPoint Energy Arkla	(8)	
83			0080 - CenterPoint Energy Intrastate Pipelines, LLC	(75)	
84			0082 - CenterPoint Energy Entex	(6,067)	
85				(6,154)	20.86%
86					
87		Distribution Support-Joint Trenching	0082 - CenterPoint Energy Entex	(45)	0.15%
88					
89		Distribution Support-Meter & House Regula	0062 - CenterPoint Energy Arkla	(3)	
90			0082 - CenterPoint Energy Entex	(7)	
91				(10)	0.03%
92					
93		Integration Support	0002 - CNP Service Company, LLC	(45)	
94			0299 - CenterPoint Energy, Inc.	(887)	
95				(932)	3.16%
96					
97		Pass Through	0002 - CNP Service Company, LLC	(692)	
98			0056 - CNP Properties, Inc.	647	
99			0062 - CenterPoint Energy Arkla	(65)	
100			0072 - CNP Minnesota Gas	(59)	
101			0080 - CenterPoint Energy Intrastate Pipelines, LLC	(1)	
102			0082 - CenterPoint Energy Entex	(7,266)	
103			0299 - CenterPoint Energy, Inc.	(336)	
104			0354 - CenterPoint Energy Service Co Money Pool Division	(853)	
105			0413 - CenterPoint Energy Electric Services, LLC	(219)	
106				(8,844)	29.98%
107					
108		Properties	0002 - CNP Service Company, LLC	(23)	
109			0072 - CNP Minnesota Gas	(1)	
110			0082 - CenterPoint Energy Entex	(11)	
111				(35)	0.12%
112					
113		Radio and Communication Support	0082 - CenterPoint Energy Entex	(112)	0.38%
114					
115		Technology Operations	0002 - CNP Service Company, LLC	(853)	2.89%
116					
117		Transmission	0062 - CenterPoint Energy Arkla	(1)	
118			0082 - CenterPoint Energy Entex	(2)	
119				(3)	0.01%
120					
121		Transportation	0002 - CNP Service Company, LLC	(67)	
122			0062 - CenterPoint Energy Arkla	(31)	
123			0072 - CNP Minnesota Gas	(4)	
124			0080 - CenterPoint Energy Intrastate Pipelines, LLC	(2)	
125			0082 - CenterPoint Energy Entex	(1,715)	
126				(1,819)	6.17%
127					
128		Direct Total		(18,992)	

PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 V-K-12-1 AMOUNTS BILLED TO CEHE
 TEST YEAR ENDED 12/31/2018
 DOCKET NUMBER PENDING ASSIGNMENT
 SPONSOR: M. TOWNSEND
 (THOUSANDS OF DOLLARS)

Line No	1 Billing Method	2 Class / Functional Area	3 Affiliate	4 Amount	5 Percent
129					
130	Fixed Percentage	Distribution Support-GIS Business Solutions	0062 - CenterPoint Energy Arkla	(68)	
131			0072 - CNP Minnesota Gas	(16)	
132			0082 - CenterPoint Energy Entex	(340)	
133				(424)	1.44%
134					
135		Distribution Support-GIS Data Management	0062 - CenterPoint Energy Arkla	(2,086)	
136			0072 - CNP Minnesota Gas	(349)	
137			0082 - CenterPoint Energy Entex	(2,693)	
138				(5,128)	17.38%
139					
140		Distribution Support-GIS Land Base Data Management	0062 - CenterPoint Energy Arkla	(21)	
141			0072 - CNP Minnesota Gas	(54)	
142			0082 - CenterPoint Energy Entex	(166)	
143				(241)	0.82%
144					
145		Distribution Support-GIS Programming	0002 - CNP Service Company, LLC	(75)	
146			0062 - CenterPoint Energy Arkla	(118)	
147			0072 - CNP Minnesota Gas	(187)	
148			0082 - CenterPoint Energy Entex	(399)	
149				(779)	2.64%
150					
151		Distribution Support-GIS System Administration	0062 - CenterPoint Energy Arkla	(466)	
152			0072 - CNP Minnesota Gas	(645)	
153			0082 - CenterPoint Energy Entex	(950)	
154				(2,061)	6.99%
155					
156					
157	Fixed Percentage Total			(8,633)	
158					
159	Square Footage	Properties	0002 - CNP Service Company, LLC	(1)	
160			0082 - CenterPoint Energy Entex	(51)	
161				(52)	0.18%
162					
163	Square Footage Total			(52)	
164					
165	Total CenterPoint Energy Houston Electric billings to Affiliates			(29,504)	100.00%

PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 V-K-12-2 AMOUNTS BILLED TO EACH AFFILIATE
 TEST YEAR ENDED 12/31/2018
 DOCKET NUMBER PENDING ASSIGNMENT
 SPONSOR: M. TOWNSEND
 (THOUSANDS OF DOLLARS)

Line No	1 Billing Method	2 Class / Functional Area	3 Affiliate	4 Amount	5 Percent
1	Service Company Billings to CenterPoint Energy Houston Electric :				
2					
3	# of Devices Supported	Technology Operations	0002 - CNP Service Company, LLC	63	0.02%
4					
5	# of Devices Supported Total			63	
6					
7	Allocated Based on Areas Supported	Technology Operations	0002 - CNP Service Company, LLC	1,005	0.37%
8					
9	Allocated Based on Areas Supported Total			1,005	
10					
11	Allocation Hardware/Software Applications	Technology Operations	0002 - CNP Service Company, LLC	8,010	2.96%
12					
13	Allocation Hardware/Software Applications Total			8,010	
14					
15	Allocation O&M Spend on Desktop Data Devices	Technology Operations	0002 - CNP Service Company, LLC	728	0.27%
16					
17	Allocation O&M Spend on Desktop Data Devices Total			728	
18					
19	Allocation of Hours Worked on Network	Technology Operations	0002 - CNP Service Company, LLC	326	0.12%
20					
21	Allocation of Hours Worked on Network Total			326	
22					
23	Asset	Communications	0002 - CNP Service Company, LLC	442	
24		Community Relations	0002 - CNP Service Company, LLC	82	
25		Finance	0002 - CNP Service Company, LLC	1,270	
26		Government Affairs	0002 - CNP Service Company, LLC	54	
27				1,848	0.68%
28					
29	Asset Total			1,848	
30					
31	Based on Hardware and Software Allocations	Technology Operations	0002 - CNP Service Company, LLC	5,690	2.11%
32					
33	Based on Hardware and Software Allocations Total			5,690	
34					
35	Call Minutes	Customer Operations	0002 - CNP Service Company, LLC	4,378	1.62%
36					
37	Call Minutes Total			4,378	

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
V-K-12-2 AMOUNTS BILLED TO EACH AFFILIATE
TEST YEAR ENDED 12/31/2018
DOCKET NUMBER PENDING ASSIGNMENT
SPONSOR: M. TOWNSEND
 (THOUSANDS OF DOLLARS)

Line No	1 Billing Method	2 Class / Functional Area	3 Affiliate	4 Amount	5 Percent
38					
39	Composite Ratio	Audit	0002 - CNP Service Company, LLC	2,140	
40		Communications	0002 - CNP Service Company, LLC	259	
41		Customer Operations	0002 - CNP Service Company, LLC	740	
42		Executive Management	0002 - CNP Service Company, LLC	2,962	
43		Finance	0002 - CNP Service Company, LLC	13,076	
44		Human Resources	0002 - CNP Service Company, LLC	14,268	
45		Legal	0002 - CNP Service Company, LLC	5,555	
46		Regulatory	0002 - CNP Service Company, LLC	1	
47				39,001	14.43%
48					
49	Composite Ratio Total			39,001	
50					
51	CPU Seconds	Technology Operations	0002 - CNP Service Company, LLC	4,612	1.71%
52					
53	CPU Seconds Total			4,612	
54					
55	Customer Count	Customer Operations	0002 - CNP Service Company, LLC	5,438	2.01%
56					
57	Customer Count Total			5,438	
58					
59	Direct	Audit	0002 - CNP Service Company, LLC	2	
60		Business & Operations Support	0002 - CNP Service Company, LLC	7,047	
61		Communications	0002 - CNP Service Company, LLC	682	
62		Community Relations	0002 - CNP Service Company, LLC	245	
63		Customer Operations	0002 - CNP Service Company, LLC	4,438	
64		Executive Management	0002 - CNP Service Company, LLC	67	
65		Finance	0002 - CNP Service Company, LLC	10,462	
66		Government Affairs	0002 - CNP Service Company, LLC	5,068	
67		Human Resources	0002 - CNP Service Company, LLC	959	
68		Legal	0002 - CNP Service Company, LLC	6,388	
69		Properties	0002 - CNP Service Company, LLC	11,015	
70		Reg Ops - EST	0002 - CNP Service Company, LLC	276	
71		Regulated Operations Mgmt	0002 - CNP Service Company, LLC	3,733	
72		Regulatory	0002 - CNP Service Company, LLC	6,687	
73		Technology Operations	0002 - CNP Service Company, LLC	68,095	
74				125,164	46.32%
75					
76	Direct Total			125,164	
77					

PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 V-K-12-2 AMOUNTS BILLED TO EACH AFFILIATE
 TEST YEAR ENDED 12/31/2018
 DOCKET NUMBER PENDING ASSIGNMENT
 SPONSOR: M. TOWNSEND
 (THOUSANDS OF DOLLARS)

Line No	1 Billing Method	2 Class / Functional Area	3 Affiliate	4 Amount	5 Percent
78	Direct Enterprise	Technology Operations	0002 - CNP Service Company, LLC	16,170	5.98%
79					
80	Direct Enterprise Total			16,170	
81					
82	Direct/Customer Count	Regulated Operations Mgmt	0002 - CNP Service Company, LLC	1,313	0.49%
83					
84	Direct/Customer Count Total			1,313	
85					
86	Direct-Billable Hour Rate	Technology Operations	0002 - CNP Service Company, LLC	1,103	0.41%
87					
88	Direct-Billable Hour Rate Total			1,103	
89					
90	Distributed Based on # of Hours Logged	Technology Operations	0002 - CNP Service Company, LLC	145	0.05%
91					
92	Distributed Based on # of Hours Logged Total			145	
93					
94	Fixed Percentage	Customer Operations	0002 - CNP Service Company, LLC	1,009	0.37%
95					
96	Fixed Percentage Total			1,009	
97					
98	Fixed Portions	Customer Operations	0002 - CNP Service Company, LLC	993	0.37%
99					
100	Fixed Portions Total			993	
101					
102	Follows Billings of Executive Management	Executive Management	0002 - CNP Service Company, LLC	20	0.01%
103					
104	Follows Billings of Executive Management Total			20	
105					
106	Headcount	Communications	0002 - CNP Service Company, LLC	629	
107		Community Relations	0002 - CNP Service Company, LLC	5,873	
108		Finance	0002 - CNP Service Company, LLC	911	
109		Human Resources	0002 - CNP Service Company, LLC	5,813	
110		Legal	0002 - CNP Service Company, LLC	163	
111		Reg Ops - EST	0002 - CNP Service Company, LLC	657	
112				14,046	5.20%
113					
114	Headcount Total			14,046	

PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 V-K-12-2 AMOUNTS BILLED TO EACH AFFILIATE
 TEST YEAR ENDED 12/31/2018
 DOCKET NUMBER PENDING ASSIGNMENT
 SPONSOR: M. TOWNSEND
 (THOUSANDS OF DOLLARS)

Line No	1 Billing Method	2 Class / Functional Area	3 Affiliate	4 Amount	5 Percent
115					
116	Login IDs	Technology Operations	0002 - CNP Service Company, LLC	17,893	6.62%
117					
118	Login IDs Total			17,893	
119					
120	Megabytes	Technology Operations	0002 - CNP Service Company, LLC	718	0.27%
121					
122	Megabytes Total			718	
123				0	
124	Operating Expense	Business & Operations Support	0002 - CNP Service Company, LLC	685	
125		Finance	0002 - CNP Service Company, LLC	5,805	
126		Legal	0002 - CNP Service Company, LLC	1,027	
127				7,517	2.78%
128					
129	Operating Expense Total			7,517	
130					
131	Telephone Lines	Technology Operations	0002 - CNP Service Company, LLC	2,509	0.93%
132					
133	Telephone Lines Total			2,509	
134					
135	Total O&M Billed	Technology Operations	0002 - CNP Service Company, LLC	10,510	3.89%
136					
137	Total O&M Billed Total			10,510	
138					
139	Total Service Company Billings to CenterPoint Energy Houston Electric*			270,209	100.00%
140	*(see pass through transactions with CenterPoint Energy Service Company on separate schedule)				

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC
TEST YEAR ENDING 12/31/18

CONFIDENTIAL

Schedules V-K-12-2.1 and V-K-12-2.2 are confidential. A copy of this material will be provided only after execution of a certification to be bound by the draft protective order set forth in Section VII of this Rate Filing Package or a protective order issued in this docket.

PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 V-K-12-1 AMOUNTS BILLED TO EACH AFFILIATE
 TEST YEAR ENDED 12/31/2018
 DOCKET NUMBER PENDING ASSIGNMENT
 SPONSOR: M. TOWNSEND
 (THOUSANDS OF DOLLARS)

Line No	Affiliate	FERC Account												
		1070	1810	1823	1860	4190	4261	4264	4265	4300	5600	5611	5612	5613
Billings to Houston Electric by Affiliate Including Pass Through Charges:														
1	0002 - CNP Service Company, LLC	45,570	906	860	-	-	3,143	5,888	291	-	9,895	0	15	2
2	0016 - CNP Resources Corp	8	-	-	-	-	-	-	-	-	0	-	-	-
3	0056 - CNP Properties, Inc.	1	-	-	-	-	-	-	-	-	0	-	2	-
4	0062 - CenterPoint Energy Arkla	47	-	-	-	-	-	-	-	-	0	-	-	-
5	0072 - CNP Minnesota Gas	146	-	-	-	-	-	-	-	-	0	-	-	-
6	0077 - CNP Services, Inc.	-	-	-	-	-	-	-	-	-	-	-	0	-
7	0080 - CNP Intrastate Pipeline LLC	-	-	-	-	-	-	-	-	-	0	-	-	-
8	0082 - CenterPoint Energy Entex	1,751	-	-	0	145	-	-	4	-	5	-	1	0
9	0299 - CenterPoint Energy, Inc.	-	-	-	-	-	-	-	-	82	-	-	-	-
10	0354 - CNP Service Co Money Pool Division	-	-	-	-	-	-	-	-	1,109	-	-	-	-
11	TOTAL	47,524	906	860	0	145	3,143	5,888	295	1,191	9,900	0	18	2
12														
13														
14		Sum of FERCs 1000-4999	59,951											
15		Sum of FERCs 5600-9350	293,384											
16		Total	353,336											

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
V-K-12-1 AMOUNTS BILLED TO EACH AFFILIATE
TEST YEAR ENDED 12/31/2018
DOCKET NUMBER PENDING ASSIGNMENT
SPONSOR: M. TOWNSEND
(THOUSANDS OF DOLLARS)

Line No	Affiliate	FERC Account						FERC Account						
		14 5614	15 5615	16 5617	17 5620	18 5630	19 5640	20 5660	21 5690	22 5700	23 5710	24 5720	25 5730	26 5800
Billings to Houston Electric by Affiliate Including Pass Through Charges:														
1	0002 - CNP Service Company, LLC	13	3	1	97	105	95	13	4	107	212	95	3	42,702
2	0016 - CNP Resources Corp	-	-	-	0	0	0	-	-	0	0	0	-	0
3	0056 - CNP Properties, Inc	6	-	-	-	0	-	0	-	-	0	-	-	0
4	0062 - CenterPoint Energy Arkla	0	-	-	(0)	0	0	0	(0)	(0)	0	0	-	0
5	0072 - CNP Minnesota Gas	-	-	-	0	0	0	0	0	0	0	0	-	0
6	0077 - CNP Services, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	0
7	0080 - CNP Intrastate Pipeline LLC	-	-	-	0	0	0	-	-	0	0	0	-	0
8	0082 - CenterPoint Energy Entex	0	-	-	1	1	1	1	0	2	4	1	-	10
9	0299 - CenterPoint Energy, Inc	-	-	-	-	-	-	-	-	-	-	-	-	-
10	0354 - CNP Service Co Money Pool Division	-	-	-	-	-	-	-	-	-	-	-	-	-
11	TOTAL	19	3	1	98	106	97	14	4	109	216	97	3	42,713

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Sum of FERCs 1000-4999
Sum of FERCs 5600-9350
Total

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
V-K-12-1 AMOUNTS BILLED TO EACH AFFILIATE
TEST YEAR ENDED 12/31/2018
DOCKET NUMBER PENDING ASSIGNMENT
SPONSOR: M. TOWNSEND
 (THOUSANDS OF DOLLARS)

Line No	Affiliate	FERC Account							FERC Account					
		27	28	29	30	31	32	33	34	35	36	37	38	39
		5810	5820	5830	5840	5850	5860	5870	5880	5900	5910	5920	5930	5940
Billings to Houston Electric by Affiliate Including Pass Through Charges:														
1	0002 - CNP Service Company, LLC	16	103	233	238	193	253	106	372	56	1	31	450	53
2	0016 - CNP Resources Corp.	-	0	0	0	0	0	0	-	-	-	-	0	-
3	0056 - CNP Properties, Inc	4	-	-	-	-	-	-	16	1	-	-	-	-
4	0062 - CenterPoint Energy Arkia	0	(0)	0	0	0	0	0	0	0	0	(0)	0	0
5	0072 - CNP Minnesota Gas	-	0	0	0	0	0	0	0	-	0	0	0	-
6	0077 - CNP Services, Inc.	0	-	0	-	-	0	0	0	-	-	-	0	0
7	0080 - CNP Intrastate Pipeline LLC	-	0	0	0	0	0	0	-	-	-	-	0	-
8	0082 - CenterPoint Energy Entex	1	2	3	5,833	3	9	1	20	14	-	0	3	0
9	0299 - CenterPoint Energy, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-
10	0354 - CNP Service Co Money Pool Division	-	-	-	-	-	-	-	-	-	-	-	-	-
11	TOTAL	20	105	236	6,072	196	262	108	408	70	1	31	453	54

14 Sum of FERCs 1000-4999
 15 Sum of FERCs 5600-9350
 16 **Total**

5629

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
V-K-12-1 AMOUNTS BILLED TO EACH AFFILIATE
TEST YEAR ENDED 12/31/2018
DOCKET NUMBER FENDING ASSIGNMENT
SPONSOR: M. TOWNSEND
(THOUSANDS OF DOLLARS)

Line No	Affiliate	FERC Account						FERC Account						
		40 5960	41 5970	42 5980	43 9020	44 9030	45 9070	46 9080	47 9090	48 9100	49 9200	50 9210	51 9240	52 9250
Billings to Houston Electric by Affiliate Including Pass Through Charges:														
1	0002 - CNP Service Company, LLC	12	95	1	719	22,308	10	507	3,675	18	10	1,015	34	2,225
2	0016 - CNP Resources Corp	-	0	-	-	-	-	-	-	-	-	-	-	-
3	0056 - CNP Properties, Inc	-	-	-	-	-	-	1	-	-	-	-	-	-
4	0062 - CenterPoint Energy Arka	0	0	0	-	0	-	-	-	-	-	-	-	-
5	0072 - CNP Minnesota Gas	-	0	0	-	-	-	-	-	-	-	-	-	-
6	0077 - CNP Services, Inc.	0	-	-	-	0	-	-	-	-	-	-	-	-
7	0080 - CNP Intrastate Pipeline LLC	-	0	-	-	-	-	-	-	-	-	-	-	-
8	0082 - CenterPoint Energy Entex	0	1	(0)	155	10	0	19	-	-	0	0	-	1
9	0299 - CenterPoint Energy, Inc.	-	-	-	-	-	-	-	-	-	799	-	-	-
10	0354 - CNP Service Co Money Pool Division	-	-	-	-	-	-	-	-	-	-	-	-	-
11	TOTAL	12	97	1	874	22,318	10	527	3,675	18	810	1,015	34	2,226

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Sum of FERCs 1000-4999
Sum of FERCs 5600-9350
Total

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
V-K-12-1 AMOUNTS BILLED TO EACH AFFILIATE
TEST YEAR ENDED 12/31/2018
DOCKET NUMBER PENDING ASSIGNMENT
SPONSOR: M. TOWNSEND
(THOUSANDS OF DOLLARS)**

Line No.	Affiliate	FERC Account					Total
		53 9260	54 9301	55 9302	56 9310	57 9350	
Billings to Houston Electric by Affiliate Including Pass Through Charges:							
1	0002 - CNP Service Company, LLC	24,058	15	120,561	11,021	1,379	299,790
2	0016 - CNP Resources Corp.	-	-	-	-	-	9
3	0056 - CNP Properties, Inc.	-	-	0	0	-	32
4	0062 - CenterPoint Energy Arkla	-	-	7	-	-	56
5	0072 - CNP Minnesota Gas	-	-	3	-	-	150
6	0077 - CNP Services, Inc.	-	-	-	-	-	1
7	0080 - CNP Intrastate Pipeline LLC	-	-	-	-	-	0
8	0082 - CenterPoint Energy Entex	-	-	179	0	-	8,181
9	0299 - CenterPoint Energy, Inc	43,128	-	-	-	-	44,009
10	0354 - CNP Service Co Money Pool Division	-	-	-	-	-	1,109
11	TOTAL	67,186	15	120,751	11,022	1,379	353,336

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Sum of FERCs 1000-4999
Sum of FERCs 5600-9350
Total

PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 V-K-12-1 AMOUNTS BILLED TO EACH AFFILIATE
 TEST YEAR ENDED 12/31/2018
 DOCKET NUMBER PENDING ASSIGNMENT
 SPONSOR: M. TOWNSEND
 (THOUSANDS OF DOLLARS)

Line No.	Affiliate	FERC Account														
		15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
		5710	5720	5800	5820	5830	5840	5850	5860	5870	5880	5900	5920	5930	5940	5960
Billings to Houston Electric by Affiliate Excluding Pass Through Charges:																
1	0002 - CNP Service Company, LLC	139	70	42,573	70	139	139	139	84	70	-	-	-	236	-	-
2	0016 - CNP Resources Corp.	1	0	7	0	1	5,831	1	1	0	1	14	0	1	0	0
3	TOTAL	140	70	42,580	70	140	5,970	140	85	70	1	14	0	238	0	0
4																
5																
6		Sum of FERCs 1000-4999														
7		Sum of FERCs 5600-9350														
8		Total														

PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 V-K-12-1 AMOUNTS BILLED TO EACH AFFILIATE
 TEST YEAR ENDED 12/31/2018
 DOCKET NUMBER PENDING ASSIGNMENT
 SPONSOR: M. TOWNSEND
 (THOUSANDS OF DOLLARS)

Line No.	Affiliate	FERC Account												Total
		30	31	32	33	34	35	36	37	38	39	40	41	
		5970	5980	9020	9030	9080	9090	9200	9210	9250	9302	9310	9350	
Billings to Houston Electric by Affiliate Excluding Pass Through Charges:														
1	0002 - CNP Service Company, LLC	70	-	715	22,265	4	3,674	-	989	2,097	119,428	11,015	1,338	270,208
2	0016 - CNP Resources Corp.	0	(0)	152	1	13	-	0	-	-	170	(0)	-	7,926
3	TOTAL	70	(0)	867	22,265	17	3,674	0	989	2,097	119,598	11,015	1,338	278,135
4														
5														
6		Sum of FERCs 1000-4999												
7		Sum of FERCs 5600-9350												
8		Total												

5634

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
V-K-13 AFFILIATE PROJECT CODES CREATED/CLOSED IN TEST YEAR
TEST YEAR ENDED 12/31/2018
DOCKET NUMBER PENDING ASSIGNMENT
SPONSOR: M. TOWNSEND**

Line No.	Project Number	Project Title	Created/Closed	Date	Status
1	13091422	ENTD130 - Mainframe Migration App Dev	Created	2015	Work in Progress
2	13091963	HED119-Damage Assessment	Created	2016	Work in Progress
3	13092762	ENTD144 - Advance Finance Intial Build	Created	2016	Work in Progress
4	13092902	ENTBM003-TEL-Analytics Real Time Mgmt-17	Created	2017	Work in Progress
5	13092945	HEB010 - Smart Meter Platform PS	Created	2017	Work in Progress
6	13092982	HED104-Security-Intelligent Grid (IG)	Created	2017	Work in Progress
7	13093083	ENTB008-FS-Implement Fusion Security	Created	2017	Work in Progress
8	13093084	ENTB008-AE-MW Architecture Enhancements	Created	2017	Work in Progress
9	13093086	ENTB008-OE-OEM Enhancements	Created	2017	Work in Progress
10	13093087	ENTB005-SR - MW Server Refresh	Created	2017	Work in Progress
11	13093088	ENTB005-SU - MW Server/Platform Upgrades	Created	2017	Work in Progress
12	13093222	SAPBM-BW17 - SAP BM Capital BW 2017	Created	2017	Work in Progress
13	13093362	SAPBM-SSCL - Sourcing/CLM Upgrade	Created	2017	Work in Progress
14	13093462	HEBM017SRT-SAGD Reliability Trouble &ETR	Created	2017	Work in Progress
15	13093463	HEBM017CDD-Crew Dispatch & Duty Roster	Created	2017	Work in Progress
16	13093564	HEBM015RMT-TRM - Retail Market Trans Act	Created	2017	Work in Progress
17	13093565	Energy Insight Center Transformation	Created	2017	Work in Progress
18	13093567	ENTB006-WA - Web Automation	Created	2017	Work in Progress
19	13093608	ENTBM003R3 - Diversion 2017	Created	2017	Work in Progress
20	13093684	HED188-PDMS-Asset Mgmt for CEHE-PDMS	Created	2017	Work in Progress
21	13093942	HEBM018-Electric ILC IDR Energy Metrics	Created	2017	Work in Progress
22	13094062	ENTD144-CF - Advance Finance - Core	Created	2017	Work in Progress
23	13094063	ENTD144-FP - Advance Finance - FPA Solut	Created	2017	Work in Progress
24	13094122	HED188-SBC-Asset Mgmt for CEHE-Sub Batte	Created	2017	Work in Progress
25	13094123	HED188-MUT-Asset Mgmt for CEHE-MUG TR	Created	2017	Work in Progress
26	13094284	ENTBM006IM-Ent Records Automation Implem	Created	2018	Work in Progress
27	13094342	HEBM015RM2-TRM-Retail Market Trans Act18	Created	2018	Work in Progress
28	13094352	ENTBM004A4-Analytics Data Foundations	Created	2018	Work in Progress
29	13094353	HED193-DIS-Asset Mgmt for CEHE-DIST	Created	2018	Work in Progress
30	13094354	HED193-SUB-Asset Mgmt for CEHE-SUBST	Created	2018	Work in Progress
31	13094368	ENTBM009-1-Website Enhancements forADA18	Created	2018	Work in Progress
32	13094373	ENTB001 - Business Resilience Readiness	Created	2018	Work in Progress
33	13094375	ENTBM013-1-2018 Online Customer Experien	Created	2018	Work in Progress
34	13094402	ENTB012 - Service Suite	Created	2018	Work in Progress

Line No.	Project Number	Project Title	Created/Closed	Date	Status
35	13094403	ENTB014 - STREAMS Hardware Refresh	Created	2018	Work in Progress
36	13094406	ENTBM010-HANA BR for Situational Awarene	Created	2018	Work in Progress
37	13094416	ENTB006-W2 - Web Automation 2018	Created	2018	Work in Progress
38	13094445	HED192 - Joint Trench	Created	2018	Work in Progress
39	13094446	ENTBM003R4 - OWP SMP BM	Created	2018	Work in Progress
40	13094447	ENTB006-18 - MAO Optimization 2018	Created	2018	Work in Progress
41	13094448	SAPBM-HA-1 - SAP HANA BW 2018	Created	2018	Work in Progress
42	13094449	ENTD144-RM- AF Regulatory Mgmt Sol	Created	2018	Work in Progress
43	13094472	ENTD130-CF-MFM CIS Replac-ControlFrameWo	Created	2018	Work in Progress
44	13094482	ENTD135-SE - SIEM Expansion	Created	2018	Work in Progress
45	13094483	ENTD135-SO - Security Operations Center	Created	2018	Work in Progress
46	13094602	HEB013 - Analytics Smart Meter ELA	Created	2018	Work in Progress
47	13094642	HEBM019 - CEHE Regulated Reporting	Created	2018	Work in Progress
48	13095342	HED198 - PEACS Enhancements	Created	2018	Work in Progress
49	13095422	HEBM012-IA - eHSM Incident Management Applic	Created	2018	Work in Progress
50	13095462	ENTB008-MI - EAI Monitoring Implementation	Created	2018	Work in Progress
51	13095542	HED199 - DER App and Web Portal	Created	2018	Work in Progress
52	13095662	HEBM014 - IBM ELA Software	Created	2018	Work in Progress
53	80343988	AMS Server Refresh	Created	2016	Work in Progress
54	82573627	P1115 FREEPORT AREA MASTER PLAN	Created	2017	Work in Progress
55	82792341	AMS IDR	Created	2017	Work in Progress
56	83009742	P1115 Preconstruction Bailey-Jones Creek	Created	2018	Work in Progress
57	84584423	6197 PURCHASE HOUSTON ELECTRIC 2017	Created	2018	Work in Progress
58	85458572	SOC ACCESS CONTROL	Created	2018	Work in Progress
59	85665037	Power Quality	Created	2018	Work in Progress
60	87330187	IDR Meter Replacement Project - OT&M - S	Created	2018	Work in Progress
61	13042740	True-Up Billing Enhancement	Closed	2010	Asset Fully Amortized
62	13040226	BPM Software	Closed	2010	Asset Fully Amortized
63	13034220	ERCOT 727 Data System	Closed	2011	Asset Fully Amortized
64	13017560	Deregulation Software	Closed	2011	Asset Fully Amortized
65	ER4740	SAP Software Deployment	Closed	2013	Asset Fully Amortized
66	13034220	Reg Meter Deregulation	Closed	2013	Asset Fully Amortized
67	13034220	SAP R3 Implementation	Closed	2013	Asset Fully Amortized
68	ER4740	SAP Software Deployment	Closed	2014	Asset Fully Amortized
69	13044660	ERCOT Software Enhancement	Closed	2014	Asset Fully Amortized
70	13027620	SAP - HR Software	Closed	2014	Asset Fully Amortized
71	13031801	Lifesoft Project	Closed	2014	Asset Fully Amortized
72	13050981	Aspect Software	Closed	2014	Asset Fully Amortized
73	13069482	CEHE Energy Efficiency Project Support	Closed	2014	Asset Fully Amortized
74	13027620	Oasis	Closed	2017	Asset Fully Amortized
75	13061073	Revenue Software Enhancement	Closed	2017	Asset Fully Amortized
76	13056860	Deregulation Software Enhancement	Closed	2017	Asset Fully Amortized
77	13034220	Mobile Data Enhancement	Closed	2017	Asset Fully Amortized

Line No.	Project Number	Project Title	Created/Closed	Date	Status
78	13050981	ERCOT Enhancement	Closed	2017	Asset Fully Amortized
79	13073881	EAI, CIS, TMH, TX Set 4.0 Mandated Changes	Closed	2018	Asset Fully Amortized
80	13055200	Employee Storm Roster II	Closed	2018	Asset Fully Amortized
81	49774086	AMS Itron DCE	Closed	2018	Asset Fully Amortized
82	49809827	AMS E-Meter Software	Closed	2018	Asset Fully Amortized
83	49809828	AMS Portal/Full Development	Closed	2018	Asset Fully Amortized
84	49809830	AMS IOSS	Closed	2018	Asset Fully Amortized
85	49809832	AMS SD EAI	Closed	2018	Asset Fully Amortized
86	49809833	AMS SD CIS	Closed	2018	Asset Fully Amortized
87	49809834	AMS System Mods	Closed	2018	Asset Fully Amortized
88	49809836	AMS NOC	Closed	2018	Asset Fully Amortized
89	49809837	AMS Tivoli Services	Closed	2018	Asset Fully Amortized

Note: Some of the retirement projects listed above include projects funded by the AMS surcharge.

Please see schedule V-K-5 for a complete listing of capital projects closed to plant-in-service during the test year and the years following Docket #38339.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
V-K-14.1 AFFILIATE PAYROLL
TEST YEAR ENDED 12/31/2018
DOCKET NUMBER PENDING ASSIGNMENT
SPONSOR: M. TOWNSEND
(THOUSANDS OF DOLLARS)

Line	Affiliate	Allocated to CEHE Total For Each Affiliate	1	2	3	4	5	6
			FERC Account					
			1070	4264	8740	9020	9200	9210
1								
2	Co0002 - Service Company	74,101	-	1,122	-	-	72,874	105
3	Co0082 - Entex	1,272	367	-	839	66	-	-
4								
5								
6	Total	75,373	367	1,122	839	66	72,874	105

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
V-K-14.2 AFFILIATE PAYROLL - TOTAL LABOR
TEST YEAR ENDED 12/31/2018
DOCKET NUMBER PENDING ASSIGNMENT
SPONSOR: M. TOWNSEND
(THOUSANDS OF DOLLARS)**

Line	Affiliate	Total Labor Dollars Total For Each Affiliate	1	2	3	4	5	6
			FERC Account					
			1070	4264	8740	9020	9200	9210
1								
2	Co0002 - Service Company	162,099	-	2,455	-	-	159,415	229
3	Co0082 - Entex	4,162	750	-	2,149	1,263	-	-
4								
5								
6	Total	166,261	750	2,455	2,149	1,263	159,415	229

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
VI-L TRAN AND DIST UTILITY CUSTOMER SERVICES
TEST YEAR ENDED 12/31/2018
DOCKET NUMBER PENDING ASSIGNMENT
SPONSOR: R. DEMARR / K. COLVIN
(THOUSANDS OF DOLLARS)**

INDEX

Line No	Service	Description / Justification	Average Annual Cost	FERC Accounts	Allocation Methodology
1	Customer Service	Overseeing contact center operations, credit operations, billing and receivable operations and customer account support operations. Customer Services supports the entire CenterPoint Energy electric service area, which covers 5,000 square miles and delivers electricity to over 2.3 million meters.	\$ 7,206	9030, 9302	Call Center Minutes and Customer Count SKF's
2	Marketing Communications	Oversight of all Marketing Communication functions, including web channel, competitive marketing communications, advertising and promotions, and digital communications.	\$ 3,674	9090	Direct Assigned and Customer Count SKF
3	Strategic Marketing	Oversight of all Strategic Marketing functions, including marketing insights, market research and customer experience, customer lifecycle management, and product management.	\$ 449	9030, 9302	Direct Assigned and Customer Count SKF
4	Energy Solutions	Includes Commercial & Industrial (C&I) Relations, Economic Development, Energy Efficiency and Administrative Oversight.	\$ 3,933	9080, 9250, 9260, 9301, 9302	Composite Ratio
5	Claims & Third Party Damages	Labor, employee related expenses and other costs associated with researching and resolving third-party claims for damages against CenterPoint Energy.	\$ 2,102	9250, 9302	Direct Assigned and Customer Count SKF
6	Planning & Analytics	Manages and coordinate activities associated with the financial planning, forecasting and reporting processes, customer service training, and marketing and performance analytics around the Customer Operations organization.	\$ 1,496	9030	Customer Count SKF
7	Chief Customer Officer	Management oversight for all Customer Operation functions.	\$ 436	9030, 9302	Customer Count SKF
8	Administrative & General	Corporate professional services including Finance, Technology Operations, Transactions Management, and Customer Assistance.	\$ 27,860	9030, 9080, 9090, 9100	Direct Assigned
9	Allocated Expenses	Allocated expenses for functions such as Audit, Business & Operations Support, Communications, Executive Management, Finance, Government Affairs, Human Resources, Legal, Regulatory, Technology Operations.	\$ 14,211	9200, 9210, 9230, 9240, 9250, 9260, 9280, 9301, 9302, 9350	Direct Assigned and Schedule II-F factors
10	Energy Efficiency	Manage and administer energy efficiency programs pursuant to Section §39.905 of the Public Utility Regulatory Act and Public Utility Commission of Texas Substantive Rule §25.181.	\$ 32,300	9070, 9080	Direct Assigned and Schedule II-F factors
			<u>\$ 93,667</u>		

Note: CenterPoint Energy Houston Electric, LLC now recovers all costs for its Energy Efficiency programs through an Energy Efficiency Cost Recovery Factor, as opposed to base rates, pursuant to Rule §25.181(f) and the Commission's authorization in Docket No. 35717.

**SECTION VII:
STATEMENT OF CONFIDENTIALITY**

CenterPoint Energy Houston Electric, LLC (“CenterPoint Houston” or the “Company”) has designated as Protected Material or Highly Sensitive Protected Material certain documents in its Statement of Intent and Application for Authority to Change Rates. The Company considers the information identified below to be competitively-sensitive commercial or financial information that is confidential and exempted from disclosure under the Public Information Act. Tex. Gov’t Code §§ 552.101 and 552.110. Additionally, some of the information identified below is confidential under Tex. Util. Code § 32.10(c). This Statement of Confidentiality sets forth the reasons why each document is designated confidential.

I. DESCRIPTION OF CONFIDENTIAL MATERIAL

A. Testimony Exhibits & Other Documents Referenced in Testimony

i. Exhibits to the Direct Testimony of Kristie L. Colvin

The following exhibits are designated as Protected Material because they contain competitively-sensitive commercial or financial information: Exhibit KLC-04 (Workers’ Compensation Reserve Study) and Exhibit KLC-05 (Auto and General Insurance Reserve Study).

ii. Workpapers to the Direct Testimony of Myles F. Reynolds

Engagement letters, billing rates listing, and guidelines shared between the Company and outside counsel and consultants that are referenced in the Direct Testimony of Myles F. Reynolds are designated as Protected Material because they contain information that is competitively sensitive.

iii. Exhibits and Workpapers to the Direct Testimony of Lynne Harkel-Rumford

The following exhibits are designated as Protected Material because they contain confidential and proprietary third-party material: Exhibit LHR-2 – 2017 Compensation Surveys,

Exhibit LHR-3 – Meridian Compensation Partners Proxy Peer Review, Exhibit LHR-4 – WorldatWork Salary Budget Survey and 2018 Compensation Surveys, Exhibit LHR-6 – Meridian Compensation Partners Incentive Plan Analysis, Exhibit LHR-7 – Fredrick W. Cook and Co. 2018 Top 250 Report, and Exhibit LHR-9 – Willis Towers Watson Benefits Data Source.

WP LHR-2 – Union Contracts contains contracts that are designated as Protected Material because they contain confidential third-party contractual information, competitively-sensitive financial information, or confidential employee information.

The following exhibits are designated as Protected Material because they contain competitively-sensitive business operations information, commercial information, or financial information, or confidential employee information: Exhibit LHR-5 – Short-term Incentive Plan Goals and Exhibit LRH-8 – Long-term Incentive Plan Goals.

iv. Exhibits to the Testimony of Robert B. McRae

The following exhibits are designated as Protected Material because they are proprietary and contain confidential third-party information:

Exhibit RBM-2 – Moody’s Investor Service *Regulated Electric and Gas Utilities Industry*

Exhibit RBM-3 – Standard and Poor’s *Key Credit Factors for the Regulated Utilities Industry*

Exhibit RBM-4 – S&P Global Market Intelligence RRA Regulatory Focus *State Regulatory Evaluations*

Exhibit RBM-5 – S&P Global Market Intelligence RRA Regulatory Focus *Major Rate Case Decisions – January-December 2018*

v. Workpapers to the Testimony of Julienne P. Sugarek

WP JPS-3 DER map is designated as protected material because it contains confidential and competitively-sensitive business operations and commercial information.

vi. Workpapers to the Testimony of Robert B. Hevert

The following workpapers are designated as Protected Material because they are proprietary and contain confidential third-party information as well as competitively-sensitive financial and commercial information:

6b,11,95_Blue Chip Vol. 38, No. 2, Feb 2019

19_S&P Rating Agencies Warn Tax Reform 2018_01_25

20_FitchRatings Special Report, Tax Reform Impact on Utilities, 01.24.2018

21_S&P US Tax Reform_For Utilities Credit Quality, Challenges Abound, 01.24.2018

22_Moody's Changes Outlooks on 25 US regulated utilities, Impacted by Tax Reform, 01.19.2018

23,24_Moody's Investors' Service, Announcement, Moody's changes the US regulated utility sector outlook 20180618

25_Blue Chip March Vol 37, No. 3, March 2018

33b,73a,75,76,78_Moodys 20180619 CEHE Credit Opinion Update

33c_S&P CNP Research Update 20190201

33d,73b_FitchRatings CEHE 20180413

71_S&P Can Utilities Weather The Storm 8.8.2018

85b_Harris, Marston, Estimating Shareholder Risk Premia, FM, Summer 1992

85c,86,90_Vander Weide and Carleton, Investor Growth Expectations, Journal of Portfolio 1988

WP Past Rate Cases

WP Capital Structure

WP HECO Balance Sheet

WP Cash Flow to CapEx

B. Schedules

i. Schedules Sponsored by Kristie L. Colvin and Randal M. Pryor

The following schedules are designated as Protected Material because they contain competitively-sensitive commercial or financial information: Schedule II-C-2.7, Schedule II-C-2.7a (Capital Requirements and Acquisition Plan).

ii. Schedules Sponsored by Robert M. McRae

Schedule II-C-2.10 (Rating Agency Reports) contains reports that are designated as Protected Material because they are proprietary and contain third-party information as well as competitively-sensitive commercial or financial information.

iii. Schedules Sponsored by Kelly C. Gauger

Item 5 of Schedule II-C-3 is designated as Protected Material because it contains competitively-sensitive commercial or financial information related to procurement activities primarily in support of the Company's SCADA, microwave, radio, and fiber optic networks.

iv. Schedules Sponsored by M. Shane Kimzey

Schedule II-C-4 (Board of Directors Meetings) contains information and agenda materials related to meetings of the Company's board of directors. This information is designated as Highly Sensitive and Confidential Material because it is competitively-sensitive business operations information, commercial information, or financial information.

v. Schedules Sponsored by Kristie L. Colvin

Schedule II-D-2.9.2 (Rents and Leases) requires a copy of all leases and rentals be attached to the schedule. The rates within the attached leases are designated as Protected Material because those lease terms constitute competitively-sensitive commercial or financial information.

vi. Schedules Sponsored by Kristie L. Colvin and Lynne Harkel-Rumford

The following schedules are designated as Protected Material because they contain competitively-sensitive business-operations information, commercial information, or financial information: Schedule II-D-3.6.1a (STI Goals and Objectives) and Schedule II-D-3.10.1 (Administrative Fees).

The following schedules contain attachments that are designated as Highly Sensitive Protected Material because they contain competitively-sensitive financial information and confidential employee information: Schedule II-D-3.8.1 (Actuarial Reports - Pension and BRP) and Schedule II-D-3.9.1 (Actuarial Reports - Postretirement and Postemployment).

Schedule II-D-3.7.3.1 (Health and Welfare Contracts) and Schedule II-D-3.10.2 (Administrative Fees Contracts) contain contracts that are designated as Protected Material because they contain confidential third-party material or competitively-sensitive commercial or financial information.

vii. Schedules Sponsored by Charles W. Pringle

The following schedules are designated as Protected Material because they contain competitively-sensitive commercial or financial information: Schedule II-E-3.1 (2017 Tax Return data), Schedule II-E-3.4, Schedule II-E-3.4a (Consolidation/Inter-Corporate Tax Allocation), and Schedule II-E-3.23 (Tax elections, IRS audit status, Private Letter Rulings, and FIN 48 tracker).

The following schedules contain attachments that are designated as Protected Material because they contain competitively-sensitive commercial or financial information: Schedule II-E-3.4 (CNP Intercompany Tax Policy), Schedule II-E-3.21 (2017 Consolidated Tax Return as Filed), and Schedule II-E-3.23 (Private Letter Rulings).

viii. Schedules Sponsored by Michelle M. Townsend

The following schedules are designated as Protected Material because they contain confidential third-party material or competitively-sensitive commercial or financial information: Schedule V-K-12-2.1 (Amounts Billed to Each Affiliate) and Schedule V-K-12-2.2 (Percent Billed to Each Affiliate).

Schedule V-K-9.1 (Corporate Services SKFs) contains an attachment that is competitively-sensitive commercial and financial information related to individual entities other than the electric utility and is designated as Protected Material on that basis.

C. Schedule Workpapers

i. Workpapers to Schedules Sponsored by Kristie L. Colvin and Randal M. Pryor

The following workpapers are designated as Protected Material because they contain competitively-sensitive commercial or financial information:

WP/II-C-2.7.1
WP/II-C-2.7.2
WP/II-C-2.7.3
WP/II-C-2.7.4
WP/II-C-2.7.5
WP/II-C-2.7.7
WP/II-C-2.7.10
WP/II-C-2.7.11
WP/II-C-2.7.12

ii. Workpapers to Schedules Sponsored by Kristie L. Colvin and Lynne Harkel-Rumford

The following workpapers are designated as Protected Material because they contain competitively-sensitive financial information and confidential employee information:

WP/II-D-3.6.1a
WP/II-D-3.7
WP/II-D-3.10

iii. Workpapers to Schedules Sponsored by Charles W. Pringle

The following workpapers are designated as Protected Material because they contain competitively-sensitive commercial or financial information:

WP/II-E-3.1
WP/II-E-3.1.1
WP/II-E-3.1.2
WP/II-E-3.1.3

iv. Workpapers to Schedules Sponsored by Michelle M. Townsend

2018 CEHE VK Schedules WP is designated as Protected Material because it contains confidential third-party information and competitively-sensitive commercial or financial information.

v. Workpapers to Schedules Sponsored by Kristie L. Colvin

The following workpapers contain actuarial data and information related to employee salaries. This information is designated as Protected Material because it is confidential and competitively sensitive.

WP/II-B-10 Adj 3.2
WP/II-B-11 Adj 8.1
WP/II-B-11 Adj 8.2
WP/II-B-11 Adj 8.3
WP/II-B-11 Adj 8.4
WP/II-D-2 Adj 10.1
WP/II-D-2 Adj 12.2
WP/II-D-2 Adj 12.4
WP/II-D-3 Adj 2
WP/II-D-3 Adj 2.1
WP/II-E-2 Note 2 (Direct)
WP CEHE Wage Adjustment – Direct

vi. Workpapers to Schedules Sponsored by Matthew A. Troxle

The following workpapers are designated as Highly Sensitive Protected Material because they contain customer information that is confidential under Tex. Util. Code § 32.10(c):

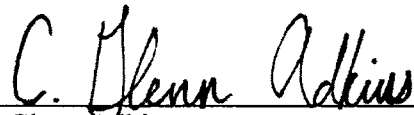
WP - Discretionary Services - Billing Units and CIS GL Tie
WP - Discretionary Services - SAP ECI and CIS GL Tie

II. STATEMENT OF COUNSEL

The undersigned counsel for CenterPoint Houston has reviewed the foregoing material sufficiently to state in good faith that the information contained therein is confidential for at least the reasons stated above.

III. PROTECTIVE ORDER

CenterPoint Houston has included herein a proposed protective order. The proposed protective order is the Commission protective order and has been approved in each of the Company's prior Distribution Cost Recovery Factor ("DCRF") proceedings.



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DOCKET NO. _____

APPLICATION OF CENTERPOINT	§	
ENERGY HOUSTON ELECTRIC, LLC	§	PUBLIC UTILITY COMMISSION
FOR AUTHORITY TO CHANGE	§	OF TEXAS
RATES	§	

PROTECTIVE ORDER

This Protective Order shall govern the use of all information deemed confidential (Protected Materials) or highly confidential (Highly Sensitive Protected Materials) by a party providing information to the Public Utility Commission of Texas (Commission), including information whose confidentiality is currently under dispute.

It is ORDERED that:

1. Designation of Protected Materials. Upon producing or filing a document, including, but not limited to, records stored or encoded on a computer disk or other similar electronic storage medium in this proceeding, the producing party may designate that document, or any portion of it, as confidential pursuant to this Protective Order by typing or stamping on its face “PROTECTED PURSUANT TO PROTECTIVE ORDER ISSUED IN DOCKET NO. _____” or words to this effect and consecutively Bates Stamping each page. Protected Materials and Highly Sensitive Protected Materials include not only the documents so designated, but also the substance of the information contained in the documents and any description, report, summary, or statement about the substance of the information contained in the documents.
2. Materials Excluded from Protected Materials Designation. Protected Materials shall not include any information or document contained in the public files of the Commission or any other federal or state agency, court, or local governmental authority subject to the Texas Public Information Act. Protected Materials also shall not include documents or information which at the time of, or prior to disclosure in a proceeding, is or was public knowledge, or which becomes public knowledge other than through disclosure in violation of this Protective Order.

3. Reviewing Party. For the purposes of this Protective Order, a Reviewing Party is a party to this docket.
4. Procedures for Designation of Protected Materials. On or before the date the Protected Materials or Highly Sensitive Protected Materials are provided to the Commission, the producing party shall file with the Commission and deliver to each party to the proceeding a written statement, which may be in the form of an objection, indicating: (1) any and all exemptions to the Public Information Act, Tex. Gov't. Code Ann., Chapter 552, claimed to be applicable to the alleged Protected Materials; (2) the reasons supporting the providing party's claim that the responsive information is exempt from public disclosure under the Public Information Act and subject to treatment as protected materials; and (3) that counsel for the providing party has reviewed the information sufficiently to state in good faith that the information is exempt from public disclosure under the Public Information Act and merits the Protected Materials designation.
5. Persons Permitted Access to Protected Materials. Except as otherwise provided in this Protective Order, a Reviewing Party shall be permitted access to Protected Materials only through its Reviewing Representatives who have signed the Protective Order Certification Form. Reviewing Representatives of a Reviewing Party include its counsel of record in this proceeding and associated attorneys, paralegals, economists, statisticians, accountants, consultants, or other persons employed or retained by the Reviewing Party and directly engaged in these proceedings. At the request of the Commissioners or their staff, copies of Protected Materials may be produced by the Staff of the Public Utility Commission of Texas (Commission Staff) or the Commission's Policy Development Division (PDD) to the Commissioners. The Commissioners and their staff shall be informed of the existence and coverage of this Protective Order and shall observe the restrictions of the Protective Order.
6. Highly Sensitive Protected Material Described. The term Highly Sensitive Protected Materials is a subset of Protected Materials and refers to documents or information which

a producing party claims is of such a highly sensitive nature that making copies of such documents or information or providing access to such documents to employees of the Reviewing Party (except as set forth herein) would expose a producing party to unreasonable risk of harm, including but not limited to: (1) customer-specific information protected by § 32.101(c) of the Public Utility Regulatory Act; (2) contractual information pertaining to contracts that specify that their terms are confidential or which are confidential pursuant to an order entered in litigation to which the producing party is a party; (3) market-sensitive fuel price forecasts, wholesale transactions information and/or market-sensitive marketing plans; and (4) business operations or financial information that is commercially sensitive. Documents or information so classified by a producing party shall bear the designation “HIGHLY SENSITIVE PROTECTED MATERIALS PROVIDED PURSUANT TO PROTECTIVE ORDER ISSUED IN DOCKET NO. _____” or words to this effect and shall be consecutively Bates Stamped in accordance with the provisions of this Protective Order. The provisions of this Protective Order pertaining to Protected Materials also apply to Highly Sensitive Protected Materials, except where this Protective Order provides for additional protections for Highly Sensitive Protected Materials. In particular, the procedures herein for challenging the producing party’s designation of information as Protected Materials also apply to information that a producing party designates as Highly Sensitive Protected Materials.

7. Restrictions on Copying and Inspection of Highly Sensitive Protected Material. Except as expressly provided herein, only one copy may be made of any Highly Sensitive Protected Materials except that additional copies may be made in order to have sufficient copies for introduction of the material into the evidentiary record if the material is to be offered for admission into the record. A record of any copies that are made of Highly Sensitive Protected Material shall be kept and a copy of the record shall be sent to the producing party at the time the copy or copies are made. The record shall include information on the location and the person in possession of the copy. Highly Sensitive Protected Material

shall be made available for inspection only at the location or locations provided by the producing party, except as provided by Paragraph 9. Limited notes may be made of Highly Sensitive Protected Materials, and such notes shall themselves be treated as Highly Sensitive Protected Materials unless such notes are limited to a description of the document and a general characterization of its subject matter in a manner that does not state any substantive information contained in the document.

8. Restricting Persons Who May Have Access to Highly Sensitive Protected Material. With the exception of Commission Staff, the Office of Public Utility Counsel (OPC), and the Office of the Attorney General (OAG) when the OAG is representing a party to the proceeding and except as provided herein, the Reviewing Representatives for the purpose of access to Highly Sensitive Protected Materials may be persons who are: (1) outside counsel for the Reviewing Party; (2) outside consultants for the Reviewing Party working under the direction of Reviewing Party's counsel; or (3) employees of the Reviewing Party working with and under the direction of Reviewing Party's counsel who have been authorized by the presiding officer to review Highly Sensitive Protected Materials. The Reviewing Party shall limit the number of Reviewing Representatives that review each Highly Sensitive Protected document to the minimum number of persons necessary. The Reviewing Party is under a good faith obligation to limit access to each portion of any Highly Sensitive Protected Materials to two Reviewing Representatives whenever possible. Reviewing Representatives for Commission Staff, OAG and OPC, for the purpose of access to Highly Sensitive Protected Materials, shall consist of their respective counsel of record in this proceeding and associated attorneys, paralegals, economists, statisticians, accountants, consultants, or other persons employed or retained by them and directly engaged in these proceedings.
9. Copies Provided of Highly Sensitive Protected Material. A producing party shall provide one copy of Highly Sensitive Protected Materials specifically requested by the Reviewing Party to the person designated by the Reviewing Party who must be a person authorized to

review Highly Sensitive Protected Material under Paragraph 8, and be either outside counsel or an outside consultant. Other representatives of the reviewing party who are authorized to view Highly Sensitive Material may review the copy of Highly Sensitive Protected Materials at the office of the Reviewing Party's representative designated to receive the information. Any Highly Sensitive Protected documents provided to a Reviewing Party may not be copied except as provided in Paragraph 7 and shall be returned along with any copies made pursuant to Paragraph 7 to the producing party within two weeks after the close of the evidence in this proceeding. The restrictions contained herein do not apply to Commission Staff, OPC, and the OAG when the OAG is representing a party to the proceeding.

10. Procedures in Paragraphs 10-14 Apply to Commission Staff, OPC, and the OAG and Control in the Event of Conflict. The procedures set forth in Paragraphs 10 through 14 apply to responses to requests for documents or information that the producing party designates as Highly Sensitive Protected Materials and provides to Commission Staff, OPC, and the OAG in recognition of their purely public functions. To the extent the requirements of Paragraphs 10 through 14 conflict with any requirements contained in other paragraphs of this Protective Order, the requirements of these Paragraphs shall control.
11. Copy of Highly Sensitive Protected Material to be Provided to Commission Staff, OPC, and the OAG. When, in response to a request for information by a Reviewing Party, the producing party makes available for review documents or information claimed to be Highly Sensitive Protected Materials, the producing party shall also deliver one copy of the Highly Sensitive Protected Materials to the Commission Staff, OPC (if OPC is a party), and the OAG (if the OAG is representing a party) in Austin, Texas. Provided however, that in the event such Highly Sensitive Protected Materials are voluminous, the materials will be made available for review by Commission Staff, OPC (if OPC is a party), and the OAG (if the OAG is representing a party) at the designated office in Austin, Texas. The Commission

Staff, OPC (if OPC is a party), and the OAG (if the OAG is representing a party) may request such copies as are necessary of such voluminous material under the copying procedures set forth herein.

12. Delivery of the Copy of Highly Sensitive Protected Material to Staff and Outside Consultants. The Commission Staff, OPC (if OPC is a party), and the OAG (if the OAG is representing a party) may deliver the copy of Highly Sensitive Protected Materials received by them to the appropriate members of their staff for review, provided such staff members first sign the certification provided in Paragraph 15. After obtaining the agreement of the producing party, Commission Staff, OPC, and the OAG (if the OAG is representing a party) may deliver the copy of Highly Sensitive Protected Materials received by it to the agreed, appropriate members of their outside consultants for review, provided such outside consultants first sign the certification attached hereto.
13. Restriction on Copying by Commission Staff, OPC, and the OAG. Except as allowed by Paragraph 7, Commission Staff, OPC, and the OAG may not make additional copies of the Highly Sensitive Protected Materials furnished to them unless the producing party agrees in writing otherwise, or, upon a showing of good cause, the Presiding Officer directs otherwise. Limited notes may be made by Commission Staff, OPC (if OPC is a party), and the OAG (if the OAG is representing a party) of Highly Sensitive Protected Materials furnished to them and all such handwritten notes will be treated as Highly Sensitive Protected Materials as are the materials from which the notes are taken.
14. Public Information Requests. In the event of a request for any of the Highly Sensitive Protected Materials under the Public Information Act, an authorized representative of the Commission, OPC, or the OAG may furnish a copy of the requested Highly Sensitive Protected Materials to the Open Records Division at the OAG together with a copy of this Protective Order after notifying the producing party that such documents are being furnished to the OAG. Such notification may be provided simultaneously with the delivery of the Highly Sensitive Protected Materials to the OAG.

15. Required Certification. Each person who inspects the Protected Materials shall, before such inspection, agree in writing to the following certification set forth in the attachment to this Protective Order:

I certify my understanding that the Protected Materials are provided to me pursuant to the terms and restrictions of the Protective Order in this docket, and that I have been given a copy of it and have read the Protective Order and agree to be bound by it. I understand that the contents of the Protected Materials, any notes, memoranda, or any other form of information regarding or derived from the Protected Materials shall not be disclosed to anyone other than in accordance with the Protective Order and unless I am an employee of Commission Staff or OPC shall be used only for the purpose of the proceeding in DOCKET NO. _____. I acknowledge that the obligations imposed by this certification are pursuant to such Protective Order. Provided, however, if the information contained in the Protected Materials is obtained from independent public sources, the understanding stated herein shall not apply.

In addition, Reviewing Representatives who are permitted access to Highly Sensitive Protected Material under the terms of this Protective Order shall, before inspection of such material, agree in writing to the following certification set forth in the Attachment to this Protective Order:

I certify that I am eligible to have access to Highly Sensitive Protected Material under the terms of the Protective Order in this docket.

A copy of each signed certification shall be provided by the reviewing party to counsel for the producing party and served upon all parties of record.

16. Disclosures Between Reviewing Representatives and Continuation of Disclosure Restrictions After a Person is no Longer Engaged in the Proceeding. Any Reviewing Representative may disclose Protected Materials, other than Highly Sensitive Protected Materials, to any other person who is a Reviewing Representative provided that, if the person to whom disclosure is to be made has not executed and provided for delivery of a

signed certification to the party asserting confidentiality, that certification shall be executed prior to any disclosure. A Reviewing Representative may disclose Highly Sensitive Protected Material to other Reviewing Representatives who are permitted access to such material and have executed the additional certification required for persons who receive access to Highly Sensitive Protected Material. In the event that any Reviewing Representative to whom Protected Materials are disclosed ceases to be engaged in these proceedings, access to Protected Materials by that person shall be terminated and all notes, memoranda, or other information derived from the Protected Material shall either be destroyed or given to another Reviewing Representative of that party who is authorized pursuant to this Protective Order to receive the protected materials. Any person who has agreed to the foregoing certification shall continue to be bound by the provisions of this Protective Order so long as it is in effect, even if no longer engaged in these proceedings.

17. Producing Party to Provide One Copy of Certain Protected Material and Procedures for Making Additional Copies of Such Materials. Except for Highly Sensitive Protected Materials, which shall be provided to the Reviewing Parties pursuant to Paragraph 9, and voluminous Protected Materials, the producing party shall provide a Reviewing Party one copy of the Protected Materials upon receipt of the signed certification described in Paragraph 15. Except for Highly Sensitive Protected Materials, a Reviewing Party may make further copies of Protected Materials for use in this proceeding pursuant to this Protective Order, but a record shall be maintained as to the documents reproduced and the number of copies made, and upon request the Reviewing Party shall provide the party asserting confidentiality with a copy of that record.
18. Procedures Regarding Voluminous Protected Materials. Production of voluminous Protected Materials will be governed by P.U.C. PROC. R. 22.144(h). Voluminous Protected Materials will be made available in the producing party's voluminous room, in Austin, Texas, or at a mutually agreed upon location, Monday through Friday, 9:00 a.m. to 5:00

p.m. (except on state or Federal holidays), and at other mutually convenient times upon reasonable request.

19. Reviewing Period Defined. The Protected Materials may be reviewed only during the Reviewing Period, which shall commence upon entry of this Protective Order and continue until the expiration of the Commission's plenary jurisdiction. The Reviewing Period shall reopen if the Commission regains jurisdiction due to a remand as provided by law. Protected materials that are admitted into the evidentiary record or accompanying the evidentiary record as offers of proof may be reviewed throughout the pendency of this proceeding and any appeals.
20. Procedures for Making Copies of Voluminous Protected Materials. Other than Highly Sensitive Protected Materials, Reviewing Parties may take notes regarding the information contained in voluminous Protected Materials made available for inspection or they may make photographic, mechanical, or electronic copies of the Protected Materials, subject to the conditions hereof; provided, however, that before photographic, mechanical, or electronic copies can be made, the Reviewing Party seeking photographic, mechanical, or electronic copies must complete a written receipt for copies on the attached form identifying each piece of Protected Materials or portions thereof the Reviewing Party will need.
21. Protected Materials to be Used Solely for the Purposes of These Proceedings. All Protected Materials shall be made available to the Reviewing Parties and their Reviewing Representatives solely for the purposes of these proceedings. Access to the Protected Materials may not be used in the furtherance of any other purpose, including, without limitation: (1) any other pending or potential proceeding involving any claim, complaint, or other grievance of whatever nature, except appellate review proceedings that may arise from or be subject to these proceedings; or (2) any business or competitive endeavor of whatever nature. Because of their statutory regulatory obligations, these restrictions do not apply to Commission Staff or OPC.

22. Procedures for Confidential Treatment of Protected Materials and Information Derived from those Materials. Protected Materials, as well as a Reviewing Party's notes, memoranda, or other information regarding or derived from the Protected Materials are to be treated confidentially by the Reviewing Party and shall not be disclosed or used by the Reviewing Party except as permitted and provided in this Protected Order. Information derived from or describing the Protected Materials shall be maintained in a secure place and shall not be placed in the public or general files of the Reviewing Party except in accordance with the provisions of this Protective Order. A Reviewing Party must take all reasonable precautions to ensure that the Protected Materials including notes and analyses made from Protected Materials that disclose Protected Materials are not viewed or taken by any person other than a Reviewing Representative of a Reviewing Party.
23. Procedures for Submission of Protected Materials. If a Reviewing Party tenders for filing any Protected Materials, including Highly Sensitive Protected Materials, or any written testimony, exhibit, brief, motion, or other type of pleading or other submission at the Commission or before any other judicial body that quotes from Protected Materials or discloses the content of Protected Materials, the confidential portion of such submission shall be filed and served in sealed envelopes or other appropriate containers endorsed to the effect that they contain Protected Material or Highly Sensitive Protected Material and are sealed pursuant to this Protective Order. If filed at the Commission, such documents shall be marked "PROTECTED MATERIAL" and shall be filed under seal with the Presiding Officer and served under seal to the counsel of record for the Reviewing Parties. The Presiding Officer may subsequently, on his/her own motion or on motion of a party, issue a ruling respecting whether or not the inclusion, incorporation or reference to Protected Materials is such that such submission should remain under seal. If filing before a judicial body, the filing party: (1) shall notify the party which provided the information within sufficient time so that the providing party may seek a temporary sealing order; and

(2) shall otherwise follow the procedures set forth in Rule 76a, Texas Rules of Civil Procedure.

24. Maintenance of Protected Status of Materials During Pendency of Appeal of Order Holding Materials are Not Protected Materials. In the event that the Presiding Officer at any time in the course of this proceeding finds that all or part of the Protected Materials are not confidential or proprietary, by finding, for example, that such materials have entered the public domain or materials claimed to be Highly Sensitive Protected Materials are only Protected Materials, those materials shall nevertheless be subject to the protection afforded by this Protective Order for three (3) full working days, unless otherwise ordered, from the date the party asserting confidentiality receives notice of the Presiding Officer's order. Such notification will be by written communication. This provision establishes a deadline for appeal of a Presiding Officer's order to the Commission. In the event an appeal to the Commissioners is filed within those three (3) working days from notice, the Protected Materials shall be afforded the confidential treatment and status provided in this Protective Order during the pendency of such appeal. Neither the party asserting confidentiality nor any Reviewing Party waives its right to seek additional administrative or judicial remedies after the Commission's denial of any appeal.
25. Notice of Intent to Use Protected Materials or Change Materials Designation. Parties intending to use Protected Materials shall notify the other parties prior to offering them into evidence or otherwise disclosing such information into the record of the proceeding. During the pendency of Docket No. _____ at the Commission, in the event that a Reviewing Party wishes to disclose Protected Materials to any person to whom disclosure is not authorized by this Protective Order, or wishes to have changed the designation of certain information or material as Protected Materials by alleging, for example, that such information or material has entered the public domain, such Reviewing Party shall first file and serve on all parties written notice of such proposed disclosure or request for change in designation, identifying with particularity each of such Protected Materials. A Reviewing

Party shall at any time be able to file a written motion to challenge the designation of information as Protected Materials.

26. Procedures to Contest Disclosure or Change in Designation. In the event that the party asserting confidentiality wishes to contest a proposed disclosure or request for change in designation, the party asserting confidentiality shall file with the appropriate Presiding Officer its objection to a proposal, with supporting affidavits, if any, within five (5) working days after receiving such notice of proposed disclosure or change in designation. Failure of the party asserting confidentiality to file such an objection within this period shall be deemed a waiver of objection to the proposed disclosure or request for change in designation. Within five (5) working days after the party asserting confidentiality files its objection and supporting materials, the party challenging confidentiality may respond. Any such response shall include a statement by counsel for the party challenging such confidentiality that he or she has reviewed all portions of the materials in dispute and without disclosing the Protected Materials, a statement as to why the Protected Materials should not be held to be confidential under current legal standards, or alternatively that the party asserting confidentiality for some reason did not allow such counsel to review such materials. If either party wishes to submit the material in question for in camera inspection, it shall do so no later than five (5) working days after the party challenging confidentiality has made its written filing.
27. Procedures for Presiding Officer Determination Regarding Proposed Disclosure or Change in Designation. If the party asserting confidentiality files an objection, the appropriate Presiding Officer will determine whether the proposed disclosure or change in designation is appropriate. Upon the request of either the producing or reviewing party or upon the Presiding Officer's own initiative, the presiding officer may conduct a prehearing conference. The burden is on the party asserting confidentiality to show that such proposed disclosure or change in designation should not be made. If the Presiding Officer determines that such proposed disclosure or change in designation should be made, disclosure shall

not take place earlier than three (3) full working days after such determination unless otherwise ordered. No party waives any right to seek additional administrative or judicial remedies concerning such Presiding Officer's ruling.

28. Maintenance of Protected Status During Periods Specified for Challenging Various Orders.

Any party electing to challenge, in the courts of this state, a Commission or Presiding Officer determination allowing disclosure or a change in designation shall have a period of ten (10) days from: (1) the date of an unfavorable Commission order; or (2) if the Commission does not rule on an appeal of an interim order, the date an appeal of an interim order to the Commission is overruled by operation of law, to obtain a favorable ruling in state district court. Any party challenging a state district court determination allowing disclosure or a change in designation shall have an additional period of ten (10) days from the date of the order to obtain a favorable ruling from a state appeals court. Finally, any party challenging a determination of a state appeals court allowing disclosure or a change in designation shall have an additional period of ten (10) days from the date of the order to obtain a favorable ruling from the state supreme court, or other appellate court. All Protected Materials shall be afforded the confidential treatment and status provided for in this Protective Order during the periods for challenging the various orders referenced in this Paragraph. For purposes of this Paragraph, a favorable ruling of a state district court, state appeals court, supreme court or other appellate court includes any order extending the deadlines set forth in this Paragraph.

29. Other Grounds for Objection to Use of Protected Materials Remain Applicable. Nothing

in this Protective Order shall be construed as precluding any party from objecting to the use of Protected Materials on grounds other than confidentiality, including the lack of required relevance. Nothing in this Protective Order constitutes a waiver of the right to argue for more disclosure, provided, however, that unless and until such additional disclosure is ordered by the Commission or a court, all parties will abide by the restrictions imposed by the Protective Order.

30. Protection of Materials from Unauthorized Disclosure. All notices, applications, responses, or other correspondence shall be made in a manner, which protects Protected Materials from unauthorized disclosure.
31. Return of Copies of Protected Materials and Destruction of Information Derived from Protected Materials. Following the conclusion of these proceedings, each Reviewing Party must, no later than thirty (30) days following receipt of the notice described below, return to the party asserting confidentiality all copies of the Protected Materials provided by that party pursuant to this Protective Order and all copies reproduced by a Reviewing Party, and counsel for each Reviewing Party must provide to the party asserting confidentiality a letter by counsel that, to the best of his or her knowledge, information, and belief, all copies of notes, memoranda, and other documents regarding or derived from the Protected Materials (including copies of Protected Materials) that have not been so returned, if any, have been destroyed, other than notes, memoranda, or other documents which contain information in a form which, if made public, would not cause disclosure of the substance of Protected Materials. As used in this Protective Order, “conclusion of these proceedings” refers to the exhaustion of available appeals, or the running of the time for the making of such appeals, as provided by applicable law. If, following any appeal, the Commission conducts a remand proceeding, then the “conclusion of these proceedings” is extended by the remand to the exhaustion of available appeals of the remand, or the running of the time for making such appeals of the remand, as provided by applicable law. Promptly following the conclusion of these proceedings, counsel for the party asserting confidentiality will send a written notice to all other parties, reminding them of their obligations under this Paragraph. Nothing in this Paragraph shall prohibit counsel for each Reviewing Party from retaining two (2) copies of any filed testimony, brief, application for rehearing, hearing exhibit, or other pleading which refers to Protected Materials provided that any such Protected Materials retained by counsel shall remain subject to the provisions of this Protective Order.

32. Applicability of Other Law. This Protective Order is subject to the requirements of the Public Information Act, the Open Meetings Act, and any other applicable law, provided that parties subject to those acts will give the party asserting confidentiality notice, if possible under those acts, prior to disclosure pursuant to those acts.
33. Procedures for Release of Information Under Order. If required by order of a governmental or judicial body, the Reviewing Party may release to such body the confidential information required by such order; provided, however, that: (1) the Reviewing Party shall notify the party asserting confidentiality of such order at least five (5) calendar days in advance of the release of the information in order for the party asserting confidentiality to contest any release of the confidential information; (2) the Reviewing Party shall notify the producing party that there is a request for such information within five (5) calendar days of the date the Reviewing Party is notified of the request for information; and (3) the Reviewing Party shall use its best efforts to prevent such materials from being disclosed to the public. The terms of this Protective Order do not preclude the Reviewing Party from complying with any valid and enforceable order of a state or federal court with competent jurisdiction specifically requiring disclosure of Protected Materials earlier than contemplated herein.
34. Best Efforts Defined. The term “best efforts” as used in the preceding paragraph requires that the Reviewing Party attempt to ensure that disclosure is not made unless such disclosure is pursuant to a final order of a Texas governmental or Texas judicial body or written opinion of the Texas Attorney General which was sought in compliance with the Public Information Act. The Reviewing Party is not required to delay compliance with a lawful order to disclose such information but is simply required to timely notify the party asserting confidentiality, or its counsel, that it has received a challenge to the confidentiality of the information and that the Reviewing Party will either proceed under the provisions of § 552.301 of the Public Information Act, or intends to comply with the final governmental or court order.

35. Notify Defined. Notify, for purposes of Paragraphs 33 and 34, shall mean written notice to the party asserting confidentiality at least five (5) calendar days prior to release; including when a Reviewing Party receives a request under the Public Information Act. However, the Commission, OAG or OPC may provide a copy of Protected Materials to the Open Records Division of the OAG as provided herein.
36. Requests for Non-Disclosure. If the producing party asserts that the requested information should not be disclosed at all, or should not be disclosed to certain parties under the protection afforded by this Order, the producing party shall tender the information for in camera review to the presiding officers within ten (10) calendar days of the request. At the same time, the producing party shall file and serve on all parties its argument, including any supporting affidavits, in support of its position of non-disclosure. The burden is on the producing party to establish that the material should not be disclosed. The producing party shall serve a copy of the information under the classification of Highly Sensitive Protected Material to all parties requesting the information that the producing party has not alleged should be prohibited from reviewing the information. Parties wishing to respond to the producing party's argument for non-disclosure shall do so within five working days. Responding parties should explain why the information should be disclosed to them, including why disclosure is necessary for a fair adjudication of the case if the material is determined to constitute a trade secret. If the Presiding Officer finds that the information should be disclosed as Protected Material under the terms of this Protective Order, the Presiding Officer shall stay the order of disclosure for such period of time as the Presiding Officer deems necessary to allow the producing party to appeal the ruling to the commission.
37. Sanctions Available for Abuse of Designation. If the Presiding Officer finds that a producing party unreasonably designated material as Protected Material or as Highly Sensitive Protected Material, or unreasonably attempted to prevent disclosure pursuant to

Paragraph 36, the Presiding Officer may sanction the producing party pursuant to P.U.C. PROC. R. 22.161.

38. Modification of Protective Order. Each party shall have the right to seek changes in this Protective Order as appropriate from the Presiding Officer.
39. Breach of Protective Order. In the event of a breach of the provisions of this Protective Order, the producing party, if it sustains its burden of proof required to establish the right to injunctive relief, shall be entitled to an injunction against such breach without any requirements to post bond as a condition of such relief. The producing party shall not be relieved of proof of any element required to establish the right to injunctive relief. In addition to injunctive relief, the producing party shall be entitled to pursue any other form of relief to which it is entitled.

Protective Order Certification

I certify my understanding that the Protected Materials are provided to me pursuant to the terms and restrictions of the Protective Order in this docket, and that I have been given a copy of it and have read the Protective Order and agree to be bound by it. I understand that the contents of the Protected Materials, any notes, memoranda, or any other form of information regarding or derived from the Protected Materials shall not be disclosed to anyone other than in accordance with the Protective Order and unless I am an employee of Commission Staff or OPC shall be used only for the purpose of the proceeding in Docket No. _____. I acknowledge that the obligations imposed by this certification are pursuant to such Protective Order. Provided, however, if the information contained in the Protected Materials is obtained from independent public sources, the understanding stated herein shall not apply.

Signature

Party Represented

Printed Name

Date

I certify that I am eligible to have access to Highly Sensitive Protected Material under the terms of the Protective Order in this docket.

Signature

Party Represented

Printed Name

Date

DOCKET NO. _____

I request to view/copy the following documents:

<u>Document Requested</u>	<u># of Copies</u>	<u>Non-Confidential</u>	<u>Confidential and/or H.S.</u>

Signature

Party Represented

Printed Name

Date

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
RIDER UNPROTECTED EXCESS DEFERRED INCOME TAXES (UEDIT)
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
TEST YEAR ENDED 12/31/2018
SPONSOR: K. COLVIN
(THOUSANDS OF DOLLARS)

INDEX

Line No.	Description	1	2	3	4	5
		Regulatory Asset (Liability) Balance December 31, 2018	Year 1	Year 2	Year 3	Total
1	Rate Base Balances at End of Period:					
2	Unprotected EDIT Liberalized Depreciation	\$ (23,796)	\$ (15,864)	\$ (7,932)	\$ 0	
3	Unprotected EDIT PP&E	\$ (104,734)	\$ (69,823)	\$ (34,911)	\$ (0)	
4	Unprotected EDIT Other	\$ 23,080	\$ 15,387	\$ 7,693	\$ 0	
5	Deferred Tax Asset on Unprotected EDIT Liberalized Depreciation	\$ 5,136	\$ 3,424	\$ 1,712	\$ 0	
6	Deferred Tax Asset on Unprotected EDIT PP&E	\$ 22,608	\$ 15,072	\$ 7,536	\$ -	
7	Deferred Tax Liability on Unprotected EDIT Other	\$ (5,858)	\$ (3,905)	\$ (1,953)	\$ -	
8	Net Period End Rate Base	\$ (83,563)	\$ (55,709)	\$ (27,854)	\$ 0	
9						
10	Rate Base Balances at End of Period - Adjusted Balances	\$ (99,781)	\$ (66,521)	\$ (33,260)	\$ 0	
11						
12	Average Rate Base - Based on Adjusted Balances	\$ -	\$ (83,151)	\$ (49,890)	\$ (16,630)	
13	Pre-Tax Rate of Return	8.7721%	8.7721%	8.7721%	8.7721%	
14	Impact of Change to Rate Base on Revenue Requirement	\$ -	\$ (7,294)	\$ (4,376)	\$ (1,459)	
15	Cumulative Impact of Change to Rate Base on Revenue Requirement	\$ -	\$ (7,294)	\$ (11,670)	\$ (13,129)	\$ (13,129)
16						
17	Impact on Expense					
18	Unprotected EDIT Liberalized Depreciation Amortization	\$ -	\$ (6,220)	\$ (6,220)	\$ (6,220)	\$ (18,659)
19	Unprotected EDIT PP&E Amortization	\$ -	\$ (27,375)	\$ (27,375)	\$ (27,375)	\$ (82,126)
20	Unprotected EDIT Other Amortization	\$ -	\$ 5,741	\$ 5,741	\$ 5,741	\$ 17,222
21	Total Amortization of Unprotected EDIT	\$ 83,563	\$ (27,854)	\$ (27,854)	\$ (27,854)	\$ (83,563)
22						
23	Weighted Cost of Debt		2.1898%	2.1898%	2.1898%	
24	Interest Expense (Net Change to Rate Base x Weighted Cost of Debt)	\$ -	\$ 610	\$ 610	\$ 610	
25	Federal Tax Rate		21%	21%	21%	
26	Tax Credit (Expense) due to Interest Expense	\$ -	\$ (128)	\$ (128)	\$ (128)	\$ (384)
27		\$ -	\$ -	\$ -	\$ -	
28	Total Impact on Expenses	\$ -	\$ (27,982)	\$ (27,982)	\$ (27,982)	
29		\$ -	\$ -	\$ -	\$ -	
30	Impact to Base Rate Revenues	\$ -	\$ (35,276)	\$ (32,358)	\$ (29,441)	\$ (97,076)
31						
32	True-up Adjustments - Impact of the following:					
33	+ TCOS and DCRF refunds (until base rates are implemented)	\$ -	\$ -	\$ -	\$ -	
34	- Unprotected ARAM (until base rates are implemented)	\$ -	\$ -	\$ -	\$ -	
35	+/- Federal Income Tax Returns	\$ -	\$ -	\$ -	\$ -	
36	+/- TCJA Clarifications	\$ -	\$ -	\$ -	\$ -	
37	+/- Audit adjustments	\$ -	\$ -	\$ -	\$ -	
38	Total True-Up Adjustments	\$ -	\$ -	\$ -	\$ -	
39						
40	Total Impact to Base Rate Revenues	\$ (97,076)	\$ (35,276)	\$ (32,358)	\$ (29,441)	

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

CenterPoint Energy Houston Electric, LLC
 Unprotected Excess Deferred Income Taxes (EDIT) Rider Calculation

December 31, 2018

In Thousands

Line No.	Description	Regulatory Asset (Liability) Balance	Year 1	Year 2	Year 3	Total	Regulatory Asset (Liability) Balance	Year 1	Year 2	Year 3	Total	Final True-up
1	Rate Base Balances at End of Period.											
2	Unprotected EDIT Liberalized Depreciation	\$ (23,795,720)	\$ (15,863,813)	\$ (7,931,906)	\$ 1		\$ (23,796)	\$ (15,864)	\$ (7,932)	\$ 0		
3	Unprotected EDIT PP&E	(104,733,844)	(69,822,563)	(34,911,282)	(1)		(104,734)	(69,823)	(34,911)	(0)		
4	Unprotected EDIT Other	23,080,495	15,386,997	7,693,499	1		23,080	15,387	7,693	0		
5	Deferred Tax Asset on Unprotected EDIT Liberalized Depreciation	5,136,493	3,424,329	1,712,165	1		5,136	3,424	1,712	0		
6	Deferred Tax Asset on Unprotected EDIT PP&E	22,607,622	15,071,748	7,535,874	-		22,608	15,072	7,536	-		
7	Deferred Tax Liability on Unprotected EDIT Other	(5,858,036)	(3,905,358)	(1,952,679)	-		(5,858)	(3,905)	(1,953)	-		
8	Net Period End Rate Base	\$ (83,562,990)	\$ (55,708,660)	\$ (27,854,329)	\$ 2		\$ (83,563)	\$ (55,709)	\$ (27,854)	\$ 0		
9												
10	Rate Base Balances at End of Period - Adjusted Balances	\$ (99,780,818)	\$ (66,520,545)	\$ (33,260,272)	\$ 1		\$ (99,781)	\$ (66,521)	\$ (33,260)	\$ 0		
11												
12	Average Rate Base - Based on Adjusted Balances		\$ (83,150,681)	\$ (49,890,409)	\$ (16,630,136)			\$ (83,151)	\$ (49,890)	\$ (16,630)		
13	Pre-Tax Rate of Return	8.7721%	8.7721%	8.7721%	8.7721%		8.7721%	8.7721%	8.7721%	8.7721%		
14	Impact of Change to Rate Base on Revenue Requirement		\$ (7,294,061)	\$ (4,376,437)	\$ (1,458,812)			\$ (7,294)	\$ (4,376)	\$ (1,459)		
15	Cumulative Impact of Change to Rate Base on Revenue Requirement		\$ (7,294,061)	\$ (11,670,498)	\$ (13,129,310)	\$ (13,129,310)		\$ (7,294)	\$ (11,670)	\$ (13,129)	\$ (13,129)	
16												
17	Impact on Expense											
18	Unprotected EDIT Liberalized Depreciation Amortization		\$ (6,219,742)	\$ (6,219,742)	\$ (6,219,742)	\$ (18,659,227)		\$ (6,220)	\$ (6,220)	\$ (6,220)	\$ (18,659)	
19	Unprotected EDIT PP&E Amortization		(27,375,407)	(27,375,407)	(27,375,407)	(82,126,222)		(27,375)	(27,375)	(27,375)	(82,126)	
20	Unprotected EDIT Other Amortization		5,740,820	5,740,820	5,740,820	17,222,459		5,741	5,741	5,741	17,222	
21	Total Amortization of Unprotected EDIT	\$ 83,562,990	\$ (27,854,330)	\$ (27,854,330)	\$ (27,854,330)	\$ (83,562,990)	\$ 83,563	\$ (27,854)	\$ (27,854)	\$ (27,854)	\$ (83,563)	
22												
23	Weighted Cost of Debt		2.1898%	2.1898%	2.1898%			2.1898%	2.1898%	2.1898%		
24	Interest Expense (Net Change to Rate Base x Weighted Cost of Debt)		\$ 609,954	\$ 609,954	\$ 609,954			\$ 610	\$ 610	\$ 610		
25	Federal Tax Rate	21%	21%	21%	21%			21%	21%	21%		
26	Tax Credit (Expense) due to Interest Expense		\$ (128,090)	\$ (128,090)	\$ (128,090)	\$ (384,270)		\$ (128)	\$ (128)	\$ (128)	\$ (384)	
27												
28	Total Impact on Expenses		(27,982,420)	(27,982,420)	(27,982,420)			(27,982)	(27,982)	(27,982)		
29												
30	Impact to Base Rate Revenues		\$ (35,276,481)	\$ (32,358,857)	\$ (29,441,232)	\$ (97,076,570)		\$ (35,276)	\$ (32,358)	\$ (29,441)	\$ (97,076)	
31												
32	True-up Adjustments - Impact of the following											
33	+ TCOS and DCRF refunds (until base rates are implemented)											
34	- Unprotected ARAM (until base rates are implemented)											
35	+/- Federal Income Tax Returns											
36	+/- TCJA Clarifications											
37	+/- Audit adjustments											
38	Total True-up Adjustments		\$ -	\$ -	\$ -			\$ -	\$ -	\$ -		
39												
40	Total Impact to Base Rate Revenues	\$ (97,076,570)	\$ (35,276,481)	\$ (32,358,857)	\$ (29,441,232)		\$ (97,076)	\$ (35,276)	\$ (32,358)	\$ (29,441)	\$ -	

**2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018**

Unprotected Excess Deferred Income Taxes (EDIT)
 Balances at December 31, 2018

Description	Regulatory Asset (Liability) Balance	EDIT Tax Expense Reduction	21% Deferred Tax Asset (Liability)	Amortization of Regulatory Asset (Liability) Balance		
				Year 1	Year 2	Year 3
Unprotected EDIT Liberalized Depreciation	\$ (23,795,720)	\$ 18,659,227	\$ 5,136,493	\$ (6,219,742)	\$ (6,219,742)	\$ (6,219,742)
Unprotected EDIT PP&E	\$ (104,733,844)	\$ 82,126,222	\$ 22,607,622	\$ (27,375,407)	\$ (27,375,407)	\$ (27,375,407)
Unprotected EDIT Other	\$ 23,080,495	\$ (17,222,459)	\$ (5,858,036)	\$ 5,740,820	\$ 5,740,820	\$ 5,740,820
Total EDIT Unprotected	\$ (105,449,069)	\$ 83,562,990	\$ 21,886,079	\$ (27,854,330)	\$ (27,854,330)	\$ (27,854,330)

Amortization Period 3 years

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

WORKPAPER WP/II-B-1 - ADJUSTMENTS AND KNOWN CHANGES

FERC Account	Description	Total Company	Adjustments and Known Changes						Total Known Changes	Company Total Electric
			WP II-B-1 Adj 1 Not Used	WP II-B-1 Adj 2 AMS	WP II-B-1 Adj 3 ARO	WP II-B-1 Adj 4 Not Used	WP II-B-1 Adj 5 Non-utility Property	WP II-B-1 Adj 6 Reclass		
Intangible Plant - Gross										
301.01	Organization	-							-	-
302.01	Franchise & Consents	-							-	-
303.01	Misc Intangible Plant - MF S/W	-							-	-
303.02	Misc Intangible Plant - NMF S/W	294,739,609		(39,028,823)					(39,028,823)	255,710,787
	Subtotal	294,739,609	-	(39,028,823)	-	-	-	-	(39,028,823)	255,710,787
Transmission Plant - Gross										
350.01	Land and Land Fees	49,328,223							-	49,328,223
350.02	Land and Land Rights	100,986,143							-	100,986,143
352.01	Structures and Improvements	202,221,913							-	202,221,913
353.01	Station Equipment	993,650,566							-	993,650,566
354.01	Towers and Fixtures	844,559,605							-	844,559,605
355.01	Poles, Towers, and Fixtures	124,988,759							-	124,988,759
356.01	Overhead Conductors and Devices	612,374,413							-	612,374,413
357.01	Underground Conduit	38,059,656							-	38,059,656
358.01	Underground Conductors and Devices	14,661,444							-	14,661,444
359.01	Roads and Trails	81,533,231							-	81,533,231
	Subtotal	3,062,363,952	-	-	-	-	-	-	-	3,062,363,952
Distribution Plant - Gross										
360.01	Land and Land Fees	31,120,482							-	31,120,482
360.02	Land and Land Rights	2,210,688						(1,035,280)	(1,035,280)	1,175,408
361.01	Structures and Improvements	105,322,417							-	105,322,417
362.01	Station Equipment	1,210,967,165							-	1,210,967,165
364.01	Poles, Towers and Fixtures	833,783,399							-	833,783,399
365.01	Overhead Conductors and Devices	1,006,923,475							-	1,006,923,475
366.01	Underground Conduit	588,157,680		(50,770)			(50,770)		588,106,910	
367.01	Underground Conductors and Devices	1,066,789,520		(692,614)			(692,614)		1,066,096,905	
368.01	Lans Transformers	1,376,452,969		(339,489)			(339,489)		1,376,113,479	
369.01	Services	200,436,671							-	200,436,671
370.01	Meters	78,336,384							-	78,336,384
370.03	Automated Meters	179,725,536		(67,939,071)			(67,939,071)		111,786,465	
373.01	Street Lighting and Signal Systems	604,289,377							-	604,289,377
373.02	Security Lighting	13,208,608							626	13,209,233
374.01	Security Lighting	626						(626)	(626)	-
374.03	Asset Retirement Cost Dist Plant	18,560,082			(18,560,082)				(18,560,082)	-
	Subtotal	7,316,285,078	-	(69,021,945)	(18,560,082)	-	(1,035,280)	-	(85,617,306)	7,227,667,772
TOTAL INT, TRAN, DIST PLANT-GROSS		10,673,388,640	-	(108,050,767)	(18,560,082)	-	(1,035,280)	-	(127,646,129)	10,545,742,511

Adjustment Descriptions

Adjustment	Description
WP II-B-1 Adj 1	Adjustment Not Used
WP II-B-1 Adj 2	Adjustment due to AMS
WP II-B-1 Adj 3	Adjustment due to ARO
WP II-B-1 Adj 4	Not Used
WP II-B-1 Adj 5	Adjustment due to Non-Utility Property
WP II-B-1 Adj 6	Adjustment due to Reclass

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

WORKPAPER WP/II-B-1a - ENERGY EFFICIENCY ADJUSTMENT

Company Code CNP Houston Electric, LLC
 Asset CEHE Energy Efficiency Project
 Fiscal year

Value	Fiscal year start	Change	Year-end	Crcy
APC transactions	154,667.74		154,667.74	USD
Acquisition value	154,667.74		154,667.74	USD
Ordinary deprec.	61,867.10	30,933.55	92,800.65	USD
Special depreciation				USD
Unplanned dep.				USD
Write-up				USD
Value adjustment				USD
Net book value	92,800.64	30,933.55	61,867.09	USD
Down payments				USD

FERC Account	Description	Asset Value	Accumulated Depreciation	Net Book Value	Test Year Depreciation Expense
Intangible Plant - Adjustment					
303.02	Energy Efficiency Capital Asset	154,668	92,801	61,867	30,934
Subtotal		154,668	92,801		30,934

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

WORKPAPER WP/II-B-1b - LAND RIGHTS ADJUSTMENT

Company Code CNP Houston Electric, LLC
 Asset GRP 401 LAND RIGHTS
 Fiscal year

Value	Fiscal year start	Change	Year-end	Crcy
APC transactions	1,035,280.00		1,035,280.00	USD
Acquisition value	1,035,280.00		1,035,280.00	USD
Ordinary deprec.		14,908.08-	14,908.08-	USD
Special depreciation				USD
Unplanned dep.				USD
Write-up				USD
Value adjustment				USD
Net book value	1,035,280.00	14,908.08-	1,020,371.92	USD
Down payments				USD

FERC Account	Description	Asset Value	Accumulated Depreciation	Net Book Value	Test Year Depreciation Expense
Distribution Plant - Gross					
360.02	Land and Land Rights Adjustment	1,035,280	14,908	1,020,372	14,908
Subtotal		1,035,280	14,908		14,908

**2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018**

WP/II-B-1.1 - CCN Projects
 Source: Plant In Service Report

Transmission Project	Project Number	CCN Docket No.	Line Energized Date	FERC Account	Project Total	TRAN Amount	DIST Amount	Company Total Electric
ZENITH 138KV PROJECT	730	38307	4/30/2012	354.01		2,919,614		2,919,614
ZENITH 138KV PROJECT	730	38307	4/30/2012	355.01		24,106		24,106
ZENITH 138KV PROJECT	730	38307	4/30/2012	356.01		2,247,768		2,247,768
ZENITH 138KV PROJECT	730	38307	4/30/2012	359.01		1,222,185		1,222,185
ZENITH 138KV PROJECT	730	38307	4/30/2012		6,413,673			-
138KV SPRINGWOODS PROJECT	768	40049	4/23/2014	354.01		5,065,540		5,065,540
138KV SPRINGWOODS PROJECT	768	40049	4/23/2014	356.01		1,579,897		1,579,897
138KV SPRINGWOODS PROJECT	768	40049	4/23/2014	360.01		1,947,854		1,947,854
138KV SPRINGWOODS PROJECT	768	40049	4/23/2014		8,593,292			-
138KV OYSTER CREEK PROJECT	834	41749	7/2/2017	356.01		1,984,535		1,984,535
138KV OYSTER CREEK PROJECT	834	41749	7/2/2017	354.01		12,641,248		12,641,248
138KV OYSTER CREEK PROJECT	834	41749	7/2/2017	355.01		679,496		679,496
138KV OYSTER CREEK PROJECT	834	41749	7/2/2017		15,305,279			-
38KV ZENITH-FRANZ PROJECT	864	44242	5/11/2017	354.01		9,022,159	-	9,022,159
38KV ZENITH-FRANZ PROJECT	864	44242	5/11/2017	355.01		164,802		164,802
38KV ZENITH-FRANZ PROJECT	864	44242	5/11/2017	356.01		1,640,044		1,640,044
38KV ZENITH-FRANZ PROJECT	864	44242	5/11/2017		10,827,005			-
BRAZOS VALLEY CONNECTION	872	44547	3/29/2018	350.01		14,134,168		14,134,168
BRAZOS VALLEY CONNECTION	872	44547	3/29/2018	350.02		52,654,270		52,654,270
BRAZOS VALLEY CONNECTION	872	44547	3/29/2018	354.01		148,724,625		148,724,625
BRAZOS VALLEY CONNECTION	872	44547	3/29/2018	356.01		35,963,490		35,963,490
BRAZOS VALLEY CONNECTION	872	44547	3/29/2018	359.01		30,832,737		30,832,737
BRAZOS VALLEY CONNECTION	872	44547	3/29/2018	364.01			59,692	59,692
BRAZOS VALLEY CONNECTION	872	44547	3/29/2018	365.01			36,574	36,574
BRAZOS VALLEY CONNECTION	872	44547	3/29/2018	368.01			10,176	10,176
BRAZOS VALLEY CONNECTION	872	44547	3/29/2018	369.01			783	783
BRAZOS VALLEY CONNECTION	872	44547	3/29/2018		282,416,515			-
TOTAL CCN TRANSMISSION PROJECTS					323,555,764	323,448,539	107,225	323,555,764

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

WORKPAPER WP/II-B-2 - ADJUSTMENTS AND KNOWN CHANGES

FERC Account	Description	Total Company	Adjustments and Known Changes			Total Known Changes	Company Total Electric
			WP II-B-2 Adj 1 Depreciation Study	WP II-B-2 Adj 2 AMS	WP II-B-2 Adj 3 ARO		
General Plant - Gross							
389.01	Land and Land Fees	27,581,008				-	27,581,008
389.02	Land and Land Rights	154,400				-	154,400
390.01	Structures and Improvements	242,412,872				-	242,412,872
391.01	Office Furniture and Equipment	11,134,603				-	11,134,603
392.01	Transportation Equipment	136,383,158		(142,440)		(142,440)	136,240,718
393.01	Stores Equipment	210,122				-	210,122
394.01	Tools, Shop and Garage Equipment	15,431,019	(56,118)			(56,118)	15,374,900
395.01	Laboratory Equipment	22,022,966	(771,202)	(47,547)		(818,749)	21,204,217
396.01	Power Operated Equipment	23,947,280				-	23,947,280
	Subtotal	479,277,428	(827,320)	(189,987)	-	(1,017,307)	478,260,122
General Plant - Miscellaneous							
398.01	Miscellaneous Equipment	10,864,590				-	10,864,590
399.11	Asset Retirement Cost Gen Plant	3,546,079			(3,546,079)	(3,546,079)	-
	Subtotal	14,410,669	-	-	(3,546,079)	(3,546,079)	10,864,590
TOTAL GENERAL PLANT GROSS		493,688,098	(827,320)	(189,987)	(3,546,079)	(4,563,386)	489,124,712

Adjustment Description

Adjustment	Description
WP II-B-2 Adj 1	Adjustment to new depreciation study balances
WP II-B-2 Adj 2	Adjustment to remove AMS
WP II-B-2 Adj 3	Adjustment to remove ARO

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

WORKPAPER WP/II-B-3 - ADJUSTMENTS AND KNOWN CHANGES

FERC Account	Description	Total Company	Adjustments and Known Changes		Total Known Changes	Company Total Electric
			WP II-B-3 Adj 1 Depreciation Study	WP II-B-3 Adj 2 AMS		
Communication Equipment - Gross						
397.01	Communication Equipment	377,223,496		(38,220,051)	(38,220,051)	339,003,446
397.02	Computer Equipment	170,073,927	(10,926,635)	(12,203,351)	(23,129,986)	146,943,941
	Subtotal	547,297,424	(10,926,635)	(50,423,402)	(61,350,037)	485,947,387

Adjustment Description

Adjustment	Description
WP II-B-3 Adj 1	Adjustment to new depreciation study balances
WP II-B-3 Adj 2	Adjustment to remove AMS

**2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018**

WORKPAPER WP/II-B-4 - ADJUSTMENTS AND KNOWN CHANGES

FERC Account	Natural Account	Description	Total Company	Adjustments and Known Changes WP II-B-4 Adj 1 CWIP	Total Known Changes	Company Total Electric
Construction Work in Progress						
1070	170010	Construction Work In Progress	427,251,419	(427,251,419)	(427,251,419)	-
Subtotal			427,251,419	(427,251,419)	(427,251,419)	-

Adjustment Description

Adjustment	Description
WP II-B-4 Adj 1	Adjustment to remove CWIP

WORKPAPER WP/II-B-5 - ADJUSTMENTS AND KNOWN CHANGES

FERC Account	Description	Total Company	Adjustments and Known Changes							Total Known Changes	Company Total Electric
			WP II-B-5 Adj 1 Depreciation Study - Retirement	WP II-B-5 Adj 2 Depreciation Study - Reserve Reallocation	WP II-B-5 Adj 3 AMS	WP II-B-5 Adj 4 ARO	WP II-B-5 Adj 5 Not Used	WP II-B-5 Adj 6 Non-Utility Property	WP II-B-5 Adj 7 Reclass		
Intangible Plant											
Accumulated Depreciation											
301	Organization	-								-	-
302	Franchise & Consents	-								-	-
303 01	Misc Intangible Plant - MF S/W	(88,963)		88,963						88,963	-
303 02	Misc Intangible Plant - NMP S/W	174,000,689		(88,963)	(41,311,072)					(41,400,035)	132,600,653
	Subtotal	173,911,725			(41,311,072)					(41,311,072)	132,600,653
Transmission Plant											
Accumulated Depreciation											
350 01	Land and Land Fees	15,429		(15,429)						(15,429)	-
350 02	Land and Land Rights	20,416,406		(1,872,587)						(1,872,587)	18,543,819
352 01	Structures and Improvements	16,828,226		1,964,454						1,964,454	18,792,680
353 01	Station Equipment	173,852,257		(9,289,758)						(9,289,758)	164,562,499
354 01	Towers and Fixtures	205,991,998		23,850,758						23,850,758	229,842,756
355 01	Poles, Towers and Fixtures	21,260,485		7,069,761						7,069,761	28,330,245
356 01	Overhead Conductors and Devices	291,969,535		(22,612,930)						(22,612,930)	269,356,605
357 01	Underground Conduit	6,112,307		710,951						710,951	6,823,258
358 01	Underground Conductors and Devices	2,979,650		672,656						672,656	3,652,305
359 01	Roads and Trails	11,230,185		(477,877)						(477,877)	10,752,309
	Subtotal	750,656,477		(0)						(0)	750,656,477
Distribution Plant											
Accumulated Depreciation											
360 01	Land and Land Fees	-								-	-
360 02	Land and Land Rights	726,062		(62,746)						(77,654)	648,408
361 01	Structures and Improvements	36,570,336		(1,099,083)						(1,099,083)	35,471,254
362 01	Station Equipment	329,072,754		17,488,278						17,488,278	346,561,032
364 01	Poles, Towers and Fixtures	319,535,393		33,264,948						33,264,948	352,800,342
365 01	Overhead Conductors and Devices	426,981,685		(56,382,436)						(56,382,436)	370,599,249
366 01	Underground Conduit	212,254,702		1,923,829	(70,083)					1,853,746	214,108,448
367 01	Underground Conductors and Devices	366,775,057		1,627,645	(847,665)					779,980	367,555,038
368 01	Line Transformers	452,100,027		106,803,117	(443,219)					106,359,898	558,459,925
369 01	Services	121,210,792		(38,663,587)						(38,663,587)	82,547,206
370 01	Meters	67,514,443		(9,754,067)						(9,754,067)	57,760,377
370 02	Advanced Meters	40,945		(40,945)						(40,945)	-
370 03	Autochecked Meters	135,221,310		(26,281,407)	(82,222,823)					(108,504,230)	26,717,080
373 01	Street Lighting and Signal Systems	262,005,883		(28,823,548)						(28,823,548)	233,182,335
373 02	Security Lighting	6,332,834								(2,675,535)	3,657,299
374 01	Security Lighting	(2,675,535)								2,675,535	-
374 03	Asset Retirement Cost Dist Depreciation/Amortization	11,773,059					(11,773,059)			(11,773,059)	-
	Subtotal	2,745,439,749		(0)	(83,583,791)		(11,773,059)			(14,908)	2,650,067,990

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

WORKSHEET WP-II-B-5 - ADJUSTMENTS AND KNOWN CHANGES

FERC Account	Description	Total Company	Adjustments and Known Changes							Total Known Changes	Company Total Electric
			WP II-B-5 Adj 1 Depreciation Study - Retirements	WP II-B-5 Adj 2 Depreciation Study - Reserve Reallocation	WP II-B-5 Adj 3 AMS	WP II-B-5 Adj 4 ARO	WP II-B-5 Adj 5 Not Used	WP II-B-5 Adj 6 Non-Utility Property	WP II-B-5 Adj 7 Roctans		
General Plant											
Accumulated Depreciation											
389.01	Land and Land Fees	36,630		(2,799)						(2,799)	33,830
390.02	Structures and Improvements	82,536,932		2,808,774						2,808,774	85,345,706
391.01	Office Furniture and Equipment	3,582,394		(416,655)						(416,655)	3,165,739
392.01	Transportation Equipment	44,409,860		5,006,783	(172,074)					4,834,709	49,244,569
393.01	Stores Equipment	(183,345)		200,714						200,714	17,368
394.01	Tools, Shop and Garage Equipment	1,363,384	(56,118)	869,407						813,288	2,176,872
395.01	Laboratory Equipment	8,552,911	(771,202)	881,190	(33,962)					76,026	8,628,938
396.01	Power Operated Equipment	6,426,953		1,626,417						1,626,417	8,053,369
	Subtotal	146,725,925	(627,220)	10,273,829	(206,036)					9,940,473	156,656,378
397.01	Communication Equipment	164,852,783		(26,538,579)	(49,433,574)					(75,972,153)	88,880,630
397.02	Computer Equipment	75,403,434	(10,926,635)	15,218,430	(12,183,926)					(7,894,131)	67,509,303
398.01	Miscellaneous Equipment	2,119,519		346,320	(5,604)					340,715	2,460,234
399.11	Asset Retirement Cost Gen Plant	554,746			(554,746)					(554,746)	-
	Subtotal	242,930,482	(10,926,635)	(10,273,829)	(61,625,105)					(84,900,315)	158,250,167
RWP	Unanalyzed Salvage and Removal	(44,828,222)									(44,828,222)
	Subtotal	(44,828,222)									(44,828,222)
TOTAL ACCUMULATED DEPRECIATION		4,014,836,136	(1,753,455)	(1,166,726,804)	(18,327,805)	(14,908)				(210,872,677)	3,894,013,444

Adjustment Description	Description
WP II-B-5 Adj 1	Adjustment due to the depreciation study - retirements
WP II-B-5 Adj 2	Adjustment due to the depreciation study - reserve reallocation
WP II-B-5 Adj 3	Adjustment due to AMS
WP II-B-5 Adj 4	Adjustment due to ARO
WP II-B-5 Adj 5	Not Used
WP II-B-5 Adj 6	Adjustment due to Non-Utility Property
WP II-B-5 Adj 7	Adjustment due to Roctans

**2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018**

RESERVE REALLOCATION ADJUSTMENT

[1] Source: Depreciation Study Prepared By Company Witness Mr. D. Watson

FERC Account	Description	Book Reserve at 12/31/17	Less AMS	Less Retirements	Adjusted Book Reserve at 12/31/17	Calculated Reserve at 12/31/17 [1]	Reserve Reallocation
<i>Intangibles</i>							
E30301	MISC INT PLANT - MF S/W	(88,963.09)			(88,963.09)	0.00	(88,963.09)
E30302	MISC INT PLANT - NMF S/W	153,965,027.90	(50,486,849.77)		103,478,178.13	153,876,064.81	88,963.09
Total Intangibles		153,876,064.81	(50,486,849.77)		103,389,215.04	153,876,064.81	0.00
<i>Transmission Property</i>							
E35001	LAND	15,428.86			15,428.86		15,428.86
E35002	LAND RIGHTS	19,115,830.18			19,115,830.18	17,243,243.04	1,872,587.14
E35201	STRUCT. & IMPROVEMTS	15,752,508.53			15,752,508.53	17,716,962.95	(1,964,454.42)
E35301	STATION EQUIPMENT	165,203,863.85			165,203,863.85	155,914,106.00	9,289,757.85
E35401	TOWERS & FIXTURES	194,699,611.40			194,699,611.40	218,530,369.31	(23,850,757.91)
E35501	POLES AND FIXTURES	20,215,456.01			20,215,456.01	27,285,216.60	(7,069,760.59)
E35601	O/H CONDUCT/DEVICES	281,528,871.78			281,528,871.78	258,915,942.26	22,612,929.52
E35701	UNDERGROUND CONDUIT	5,488,128.47			5,488,128.47	6,199,079.87	(710,951.40)
E35801	U/G CONDUCT/DEVICES	2,618,978.41			2,618,978.41	3,291,633.96	(672,655.55)
E35901	ROADS AND TRAILS	10,173,074.08			10,173,074.08	9,695,197.58	477,876.50
Total Transmission		714,811,751.57			714,811,751.57	714,811,751.57	0.00
<i>Distribution Plant Excluding Meters</i>							
E36002	LAND RIGHTS	694,227.78			694,227.78	631,481.87	62,745.91
E36101	STRUCT. & IMPROVEMTS	35,748,158.13			35,748,158.13	34,649,075.59	1,099,082.54
E36201	STATION EQUIPMENT	325,404,365.28			325,404,365.28	342,892,643.17	(17,488,277.89)
E36401	POLES, TOWERS, FIXTURE	320,090,634.03			320,090,634.03	353,355,582.37	(33,264,948.34)
E36501	O/H CONDUCT DEVICES	418,492,254.78			418,492,254.78	362,109,818.88	56,382,435.90
E36601	UNDERGROUND CONDUIT	198,600,693.99		(87,812.10)	198,512,881.89	200,436,711.04	(1,923,829.15)
E36701	U/G CONDUCT/DEVICES	344,291,890.48		(1,297,094.87)	342,994,795.61	344,622,441.11	(1,627,645.50)
E36801	LINE TRANSFORMERS	451,077,019.08		(646,013.91)	450,431,005.17	557,234,122.15	(106,803,116.98)
E36901	SERVICES	114,234,668.89			114,234,668.89	75,571,081.93	38,663,586.96
E37001	METERS	64,178,819.65			64,178,819.65	54,424,753.10	9,754,066.55
E37002	ADVANCED METERS	40,944.52			40,944.52		40,944.52
E37003	AMS METERS	199,059,153.98		(150,983,118.98)	48,076,035.00	21,794,627.82	26,281,407.18
E37301 &							
E37401	STREET LT/SIGNAL SYS & SECURITY LIGHTING	252,885,671.04			252,885,671.04	224,062,122.74	28,823,548.30
E37403	ASSET RET COST-DISTRIBUTION	11,052,917.83			11,052,917.83	11,052,917.83	0.00
Total Distribution Excluding Meters		2,735,851,419.46	(153,014,039.86)	0.00	2,582,837,379.60	2,582,837,379.60	0.00

**2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018**

RESERVE REALLOCATION ADJUSTMENT

[1] Source: Depreciation Study Prepared By Company Witness Mr. D. Watson

FERC Account	Description	Book Reserve at 12/31/17	Less AMS	Less Retirements	Adjusted Book Reserve at 12/31/17	Calculated Reserve at 12/31/17 [1]	Reserve Reallocation
<i>General Property Excluding General Plant Amortization</i>							
E38902	LAND RIGHTS	33,526.23			33,526.23	30,726.88	2,799.35
E39001	STRUCT. & IMPROVEMTS	78,491,357.69			78,491,357.69	81,300,131.51	(2,808,773.82)
E39201	TRANSPORTATION EQUIP	38,820,849.59	(154,589.89)		38,666,259.70	43,673,042.80	(5,006,783.10)
E39601	POWER OPERATED EQUIP	5,904,684.83			5,904,684.83	7,531,101.50	(1,626,416.67)
E39701	MICROWAVE EQUIPMENT	164,234,109.39	(59,450,080.92)		104,784,028.47	78,245,449.31	26,538,579.16
E39911	ASSET RET COST-GENERAL PLANT	476,046.54			476,046.54	476,046.54	0.00
Total General Excluding Amortization		287,960,574.27	(59,604,670.81)	0.00	228,355,903.46	211,256,498.54	17,099,404.92
<i>Amortized General Property</i>							
E39101	OFFICE F/F	3,099,622.77			3,099,622.77	2,682,967.45	416,655.32
E39301	STORES EQUIPMENT	(17,787.62)			(17,787.62)	182,925.89	(200,713.51)
E39401	TOOLS,SHOP,GAR EQUIP	1,131,485.69		(56,118.47)	1,075,367.22	1,944,773.97	(869,406.75)
E39501	LAB EQUIPMENT	7,641,247.47	(27,169.64)	(771,201.65)	6,842,876.18	7,724,066.41	(881,190.23)
E39702	COMPUTER EQUIPMENT	60,105,797.07	(14,837,438.62)	(10,926,634.92)	34,341,723.53	49,560,153.73	(15,218,430.19)
E39801	MISC. EQUIPMENT	1,589,266.46	(11,409.19)		1,577,857.27	1,924,176.83	(346,319.56)
		73,549,631.84	(14,876,017.45)	(11,753,955.04)	46,919,659.35	64,019,064.28	(17,099,404.92)
Total Reserve		3,966,049,441.95	(277,981,577.89)	(11,753,955.04)	3,676,313,909.02	3,726,800,758.80	0.00

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

RWIP Functionalization
 Source: WP II-B-5b 1 (BW Report)

FERC Account	Description	RWIP Functionalization
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Transmission Plant

Accumulated Depreciation

350.01	Land and Land Fees	
350.02	Land and Land Rights	
352.01	Structures and Improvements	(2,836,167)
353.01	Station Equipment	(10,238,345)
354.01	Towers and Fixtures	(716,805)
355.01	Poles, Towers and Fixtures	
356.01	Overhead Conductors and Devices	(19,295,968)
357.01	Underground Conduit	
358.01	Underground Conductors and Devices	
359.01	Roads and Trails	
Subtotal		(33,087,285)

Distribution Plant

Accumulated Depreciation

360.01	Land and Land Fees	(8,673)
360.02	Land and Land Rights	
361.01	Structures and Improvements	(2,213,814)
362.01	Station Equipment	(7,577,371)
364.01	Poles, Towers and Fixtures	(1,855,838)
365.01	Overhead Conductors and Devices	323,435
366.01	Underground Conduit	(986,128)
367.01	Underground Conductors and Devices	212,782
368.01	Line Transformers	2,543,784
369.01	Services	(1,324,535)
370.01	Meters	
370.02	Advanced Meters	
370.03	Automated Meters	
373.01	Street Lighting and Signal Systems	(839,919)
373.02	Security Lighting	(14,659)
374.03	Asset Retirement Cost Dist Depreciation/Amortization	
Subtotal		(11,740,937)

Total RWIP (44,828,222)

FERC Trial Balance (2/28/18)
 Company: 0003 CPE Houston Electric, LLC
 Profit Center Group: * Name: *
 Fiscal Year: 2018 Period: 12

Asset Name	Cost	Accum. Deprec.	Net Book Value
1080 See Prev Pgs Dep	(1,471,109.74)	44,828,222.01	44,828,222.01
	(1,471,109.74)		44,828,222.01

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
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Source: BW Report

Bal.Sh.Ac.LAPC	Transaction Type	Asset class	PP&E	Value of Asset at period start	Settlement
171011	Removal WIP 101	Acquisition for a negative asset	RWP-POLES,TWRS&FDXT	ELEC/36401.0000	
171011	Removal WIP 101	Acquisition for a negative asset	RWP-LINE TRANSFORM	ELEC/36801.0000	
171011	Removal WIP 101	Acquisition for a negative asset	Result		
171011	Removal WIP 110	In-house acquisition	RWP-OH CONDUCT DEV	ELEC/36501.0000	
171011	Removal WIP 110	In-house acquisition	RWP-LINE TRANSFORM	ELEC/36801.0000	
171011	Removal WIP 110	In-house acquisition	Result		
171011	Removal WIP 116	Acquisition from CO settlement	RWP-STRUCT&IMPROVMT	ELEC/35201.0000	\$ 257,492.79
171011	Removal WIP 116	Acquisition from CO settlement	RWP-STATION EQUIPMT	ELEC/35301.0250	\$ 949,419.27
171011	Removal WIP 116	Acquisition from CO settlement	RWP-TOWER & FIXTURES	ELEC/35401.0000	\$ 134,576.95
171011	Removal WIP 116	Acquisition from CO settlement	RWP-OH COND/DEVICES	ELEC/35601.0000	\$ 1,655,966.60
171011	Removal WIP 116	Acquisition from CO settlement	RWP-LAND OWNED FEE	ELEC/36001.0000	\$ 2,823.48
171011	Removal WIP 116	Acquisition from CO settlement	RWP-STRUCT & IMPROVE	ELEC/36101.0000	\$ 92,762.20
171011	Removal WIP 116	Acquisition from CO settlement	RWP-STATION EQUIP	ELEC/36201.0250	\$ 724,549.08
171011	Removal WIP 116	Acquisition from CO settlement	RWP-POLES,TWRS&FDXT	ELEC/36401.0000	\$ 516,326.63
171011	Removal WIP 116	Acquisition from CO settlement	RWP-OH CONDUCT DEV	ELEC/36501.0000	\$ 386,013.34
171011	Removal WIP 116	Acquisition from CO settlement	RWP-UG CONDUIT	ELEC/36601.0000	\$ 179,506.07
171011	Removal WIP 116	Acquisition from CO settlement	RWP-UG CONDUCT/DEV	ELEC/36701.0000	\$ 199,880.65
171011	Removal WIP 116	Acquisition from CO settlement	RWP-LINE TRANSFORM	ELEC/36801.0000	\$ 276,374.50
171011	Removal WIP 116	Acquisition from CO settlement	RWP-SERVICES	ELEC/36901.0000	\$ 49,751.76
171011	Removal WIP 116	Acquisition from CO settlement	RWP-ST LT/SIGNL SYS	ELEC/37301.0000	\$ 334,608.23
171011	Removal WIP 116	Acquisition from CO settlement	RWP-SECURITY LIGHT	ELEC/37302.0000	\$ 7,610.93
171011	Removal WIP 116	Acquisition from CO settlement	RWP-TRANSP EQUIP	ELEC/39201.7320	\$ 1,763.60
171011	Removal WIP 116	Acquisition from CO settlement	RWP-MICROWAVE EQUIP	ELEC/39701.0000	\$ 67,744.87
171011	Removal WIP 116	Acquisition from CO settlement	RWP-MICROWAVE EQUIP	ELEC/39701.0130	\$ 45,574.49
171011	Removal WIP 116	Acquisition from CO settlement	Result		\$ 113,319.36
171011	Removal WIP 116	Acquisition from CO settlement	Result		\$ 5,109,921.16
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-STRUCT&IMPROVMT	ELEC/35201.0000	
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-STATION EQUIPMT	ELEC/35301.0250	
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-OH COND/DEVICES	ELEC/35601.0000	
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-STATION EQUIP	ELEC/36201.0250	
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-POLES,TWRS&FDXT	ELEC/36401.0000	
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-OH CONDUCT DEV	ELEC/36501.0000	
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-UG CONDUIT	ELEC/36601.0000	
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-UG CONDUCT/DEV	ELEC/36701.0000	
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-LINE TRANSFORM	ELEC/36801.0000	
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-SERVICES	ELEC/36901.0000	
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-ST LT/SIGNL SYS	ELEC/37301.0000	
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	Result		
171011	Removal WIP X35	ALA Prior Year Retiring Transfer from Auc	RWP-LINE TRANSFORM	ELEC/36801.0000	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-STRUCT&IMPROVMT	ELEC/35201.0000	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-OH COND/DEVICES	ELEC/35601.0000	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-STATION EQUIP	ELEC/36201.0250	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-POLES,TWRS&FDXT	ELEC/36401.0000	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-OH CONDUCT DEV	ELEC/36501.0000	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-UG CONDUIT	ELEC/36601.0000	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-UG CONDUCT/DEV	ELEC/36701.0000	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-LINE TRANSFORM	ELEC/36801.0000	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-SERVICES	ELEC/36901.0000	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-ST LT/SIGNL SYS	ELEC/37301.0000	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-SECURITY LIGHT	ELEC/37302.0000	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-TRANSP EQUIP	ELEC/39201.7320	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-POWER OP EQUIP	ELEC/39601.7380	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-MICROWAVE EQUIP	ELEC/39701.0000	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-MICROWAVE EQUIP	ELEC/39701.0130	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	Result		
171011	Removal WIP X42	ALA RWIP Prior Year Retiring Transfer from Auc	RWP-STATION EQUIPMT	ELEC/35301.0250	
171011	Removal WIP X42	ALA RWIP Prior Year Retiring Transfer from Auc	RWP-OH COND/DEVICES	ELEC/35601.0000	
171011	Removal WIP X42	ALA RWIP Prior Year Retiring Transfer from Auc	RWP-STRUCT & IMPROVE	ELEC/36101.0000	
171011	Removal WIP X42	ALA RWIP Prior Year Retiring Transfer from Auc	RWP-STATION EQUIP	ELEC/36201.0250	
171011	Removal WIP X42	ALA RWIP Prior Year Retiring Transfer from Auc	RWP-MICROWAVE EQUIP	ELEC/39701.0000	
171011	Removal WIP X42	ALA RWIP Prior Year Retiring Transfer from Auc	Result		
171011	Removal WIP X44	ALA RWIP Current Year Retiring Transfer from Auc	RWP-OH COND/DEVICES	ELEC/35601.0000	
171011	Removal WIP X44	ALA RWIP Current Year Retiring Transfer from Auc	RWP-MICROWAVE EQUIP	ELEC/39701.0000	

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

Source: BW Report
 Table

Bal.Sht.Act.APC	Transaction Type	Asset class	PP&R	Xfer to/from AUC	Xfer between	Xfer to/from	Xfer to Reserve	Other Additions	Xfer to/from FIS	Ending Balance	
171011	Removal WIP 101	Acquisition for a negative asset	RWP-POLES,TWRS&FDCT	ELEC/36401.000				\$ 0.02		\$ 0.03	Distribution
171011	Removal WIP 101	Acquisition for a negative asset	RWP-LINE TRANSFORM	ELEC/36801.000				\$ 0.01		\$ 0.01	Distribution
171011	Removal WIP 101	Acquisition for a negative asset	Result					\$ 0.03		\$ 0.03	
171011	Removal WIP 110	In-house acquisition	RWP-OH CONDUCT DEV	ELEC/36501.000				\$ 0.03		\$ 0.03	Distribution
171011	Removal WIP 110	In-house acquisition	RWP-LINE TRANSFORM	ELEC/36801.000				\$ 0.02		\$ 0.02	Distribution
171011	Removal WIP 110	In-house acquisition	Result					\$ 0.05		\$ 0.05	
171011	Removal WIP 116	Acquisition from CO settlement	RWP-STRUCT&IMPROVMT	ELEC/35201.000						\$ 257,492.79	Transmission
171011	Removal WIP 116	Acquisition from CO settlement	RWP-STATION EQUIPMT	ELEC/35301.025						\$ 949,419.27	Transmission
171011	Removal WIP 116	Acquisition from CO settlement	RWP-TOWER & FIXTURES	ELEC/35401.000						\$ 134,576.93	Transmission
171011	Removal WIP 116	Acquisition from CO settlement	RWP-OH COND/DEVICES	ELEC/35601.000						\$ 1,655,966.60	Transmission
171011	Removal WIP 116	Acquisition from CO settlement	RWP-LAND OWNED -FEE	ELEC/36001.000						\$ 2,025.84	Distribution
171011	Removal WIP 116	Acquisition from CO settlement	RWP-STRUCT & IMPROVE	ELEC/36101.000						\$ 92,762.20	Distribution
171011	Removal WIP 116	Acquisition from CO settlement	RWP-STATION EQUIP	ELEC/36201.025						\$ 724,549.08	Distribution
171011	Removal WIP 116	Acquisition from CO settlement	RWP-POLES,TWRS&FIXT	ELEC/36401.000						\$ 516,326.63	Distribution
171011	Removal WIP 116	Acquisition from CO settlement	RWP-OH CONDUCT DEV	ELEC/36501.000						\$ 386,013.34	Distribution
171011	Removal WIP 116	Acquisition from CO settlement	RWP-UG CONDUIT	ELEC/36601.000						\$ 179,506.07	Distribution
171011	Removal WIP 116	Acquisition from CO settlement	RWP-UG CONDUCT/DEV	ELEC/36701.000						\$ 199,880.63	Distribution
171011	Removal WIP 116	Acquisition from CO settlement	RWP-LINE TRANSFORM	ELEC/36801.000						\$ 276,374.50	Distribution
171011	Removal WIP 116	Acquisition from CO settlement	RWP-SERVICES	ELEC/36901.000						\$ 49,751.76	Distribution
171011	Removal WIP 116	Acquisition from CO settlement	RWP-ST LTR/SIGNL SYS	ELEC/37301.000						\$ 134,608.23	Distribution
171011	Removal WIP 116	Acquisition from CO settlement	RWP-SECURITY LIGHT	ELEC/37302.000						\$ 7,610.93	Distribution
171011	Removal WIP 116	Acquisition from CO settlement	RWP-TRANSP EQUIP	ELEC/39201.732						\$ 1,763.60	General Plant
171011	Removal WIP 116	Acquisition from CO settlement	RWP-MICROWAVE EQUIP	ELEC/39701.000						\$ 67,744.87	General Plant
171011	Removal WIP 116	Acquisition from CO settlement	RWP-MICROWAVE EQUIP	ELEC/39701.013						\$ 45,574.49	General Plant
171011	Removal WIP 116	Acquisition from CO settlement	Result							\$ 113,319.36	
171011	Removal WIP 116	Acquisition from CO settlement	Result							\$ 5,109,921.16	
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-STRUCT&IMPROVMT	ELEC/35201.000				\$ 39,267.63		\$ 39,267.63	Transmission
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-STATION EQUIPMT	ELEC/35301.025				\$ 5,577.18		\$ 5,577.18	Transmission
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-OH COND/DEVICES	ELEC/35601.000				\$ 1,618,642.48		\$ 1,618,642.48	Transmission
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-STATION EQUIP	ELEC/36201.025				\$ 27,767.45		\$ 27,767.45	Distribution
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-POLES,TWRS&FDCT	ELEC/36401.000				\$ 944.33		\$ 10,713.64	Distribution
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-OH CONDUCT DEV	ELEC/36501.000		\$ 0.01	\$ 0.02	\$ 6,641.93		\$ 9,980.69	Distribution
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-UG CONDUIT	ELEC/36601.000				\$ 980.69		\$ 980.69	Distribution
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-UG CONDUCT/DEV	ELEC/36701.000				\$ 2,262.36		\$ 2,262.36	Distribution
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-LINE TRANSFORM	ELEC/36801.000				\$ 7,069.04		\$ 7,069.04	Distribution
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-SERVICES	ELEC/36901.000				\$ 62.81		\$ 62.81	Distribution
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	RWP-ST LTR/SIGNL SYS	ELEC/37301.000				\$ 120.33		\$ 207.55	Distribution
171011	Removal WIP X34	ALA Prior Year Retiring Transfer from Auc	Result					\$ 1,064.64		\$ 1,686,520.40	Distribution
171011	Removal WIP X35	ALA Prior Year Acquiring Transfer from Auc	RWP-LINE TRANSFORM	ELEC/36801.000				\$ 0.01		\$ 0.01	Distribution
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-STRUCT&IMPROVMT	ELEC/35201.000				\$ 77,950.05		\$ 77,950.05	Transmission
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-OH COND/DEVICES	ELEC/35601.000				\$ 2,131,417.73		\$ 2,131,417.73	Transmission
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-STATION EQUIP	ELEC/36201.025				\$ 329.62		\$ 329.62	Distribution
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-POLES,TWRS&FIXT	ELEC/36401.000				\$ 944.28		\$ 930,282.63	Distribution
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-OH CONDUCT DEV	ELEC/36501.000				\$ 640,001.32		\$ 640,001.32	Distribution
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-UG CONDUIT	ELEC/36601.000				\$ 63,528.02		\$ 63,528.02	Distribution
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-UG CONDUCT/DEV	ELEC/36701.000				\$ 349,651.93		\$ 349,651.93	Distribution
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-LINE TRANSFORM	ELEC/36801.000				\$ 581,560.24		\$ 581,560.24	Distribution
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-SERVICES	ELEC/36901.000				\$ 5,730.75		\$ 5,730.75	Distribution
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-ST LTR/SIGNL SYS	ELEC/37301.000				\$ 120.31		\$ 294,437.37	Distribution
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-SECURITY LIGHT	ELEC/37302.000				\$ 6,192.88		\$ 6,192.88	Distribution
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-TRANSP EQUIP	ELEC/39201.732				\$ 70,266.51		\$ 70,266.51	General Plant
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-POWER OP EQUIP	ELEC/39601.738				\$ 10,886.84		\$ 10,886.84	General Plant
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-MICROWAVE EQUIP	ELEC/39701.000				\$ 641.96		\$ 641.96	General Plant
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	RWP-MICROWAVE EQUIP	ELEC/39701.013				\$ 222.79		\$ 222.79	General Plant
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	Result					\$ 864.75		\$ 864.75	
171011	Removal WIP X36	ALA Current Year Retiring Transfer from Auc	Result					\$ 1,064.59		\$ 4,873,737.90	
171011	Removal WIP X42	ALA RWP Prior Year Retiring Transfer from Auc	RWP-STATION EQUIPMT	ELEC/35301.025						\$ 8,424.53	Transmission
171011	Removal WIP X42	ALA RWP Prior Year Retiring Transfer from Auc	RWP-OH COND/DEVICES	ELEC/35601.000						\$ 41,682.43	Transmission
171011	Removal WIP X42	ALA RWP Prior Year Retiring Transfer from Auc	RWP-STRUCT & IMPROVE	ELEC/36101.000						\$ 12,226.49	Distribution
171011	Removal WIP X42	ALA RWP Prior Year Retiring Transfer from Auc	RWP-STATION EQUIP	ELEC/36201.025						\$ 45,360.86	Distribution
171011	Removal WIP X42	ALA RWP Prior Year Retiring Transfer from Auc	RWP-MICROWAVE EQUIP	ELEC/39701.000						\$ 90,378.75	General Plant
171011	Removal WIP X42	ALA RWP Prior Year Retiring Transfer from Auc	Result							\$ 198,073.06	Distribution
171011	Removal WIP X44	ALA RWP Current Year Retiring Transfer from Auc	RWP-OH COND/DEVICES	ELEC/35601.000						\$ 19,164.87	Transmission
171011	Removal WIP X44	ALA RWP Current Year Retiring Transfer from Auc	RWP-MICROWAVE EQUIP	ELEC/39701.000						\$ 2,470.05	General Plant

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 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

Source: BW Report
 Table

Bal Sht.	Act.	APC	Transaction Type	Asset class	PP&E		
17101	Removal	WIP	101	Acquisition for a negative asset	RWP-POLES,TWRS&FBDT	ELEC/36401.000	ELEC/36401.0000
17101	Removal	WIP	101	Acquisition for a negative asset	RWP-LINE TRANSFORM	ELEC/36801.000	ELEC/36801.0000
17101	Removal	WIP	101	Acquisition for a negative asset	Result		
17101	Removal	WIP	110	In-house acquisition	RWP-OH CONDUCT DEV	ELEC/36501.000	ELEC/36501.0000
17101	Removal	WIP	110	In-house acquisition	RWP-LINE TRANSFORM	ELEC/36801.000	ELEC/36801.0000
17101	Removal	WIP	110	In-house acquisition	Result		
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-STRUCT&IMPROVMT	ELEC/35201.000	ELEC/35201.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-STATION EQUIPMT	ELEC/35301.025	ELEC/35301.0250
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-TOWER & FIXTURES	ELEC/35401.000	ELEC/35401.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-OH COND/DEVICES	ELEC/35601.000	ELEC/35601.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-LAND OWNED -FEE	ELEC/36001.000	ELEC/36001.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-STRUCT&IMPROVMT	ELEC/36101.000	ELEC/36101.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-STATION EQUIP	ELEC/36201.025	ELEC/36201.0250
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-POLES,TWRS&FBDT	ELEC/36401.000	ELEC/36401.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-OH CONDUCT DEV	ELEC/36501.000	ELEC/36501.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-UG CONDUIT	ELEC/36601.000	ELEC/36601.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-UG CONDUCT/DEV	ELEC/36701.000	ELEC/36701.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-LINE TRANSFORM	ELEC/36801.000	ELEC/36801.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-SERVICES	ELEC/36901.000	ELEC/36901.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-ST LT/SIGNL SYS	ELEC/37301.000	ELEC/37301.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-SECURITY LIGHT	ELEC/37302.000	ELEC/37302.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-TRANSP EQUIP	ELEC/39201.732	ELEC/39201.7320
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-MICROWAVE EQUIP	ELEC/39701.000	ELEC/39701.0000
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-MICROWAVE EQUIP	ELEC/39701.013	ELEC/39701.0130
17101	Removal	WIP	116	Acquisition from CO settlement	RWP-MICROWAVE EQUIP	Result	Result
17101	Removal	WIP	116	Acquisition from CO settlement	Result		
17101	Removal	WIP	X34	ALA Prior Year Retiring Transfer from Auc	RWP-STRUCT&IMPROVMT	ELEC/35201.000	ELEC/35201.0000
17101	Removal	WIP	X34	ALA Prior Year Retiring Transfer from Auc	RWP-STATION EQUIPMT	ELEC/35301.025	ELEC/35301.0250
17101	Removal	WIP	X34	ALA Prior Year Retiring Transfer from Auc	RWP-OH COND/DEVICES	ELEC/35601.000	ELEC/35601.0000
17101	Removal	WIP	X34	ALA Prior Year Retiring Transfer from Auc	RWP-STATION EQUIP	ELEC/36201.025	ELEC/36201.0250
17101	Removal	WIP	X34	ALA Prior Year Retiring Transfer from Auc	RWP-POLES,TWRS&FBDT	ELEC/36401.000	ELEC/36401.0000
17101	Removal	WIP	X34	ALA Prior Year Retiring Transfer from Auc	RWP-OH CONDUCT DEV	ELEC/36501.000	ELEC/36501.0000
17101	Removal	WIP	X34	ALA Prior Year Retiring Transfer from Auc	RWP-UG CONDUIT	ELEC/36601.000	ELEC/36601.0000
17101	Removal	WIP	X34	ALA Prior Year Retiring Transfer from Auc	RWP-UG CONDUCT/DEV	ELEC/36701.000	ELEC/36701.0000
17101	Removal	WIP	X34	ALA Prior Year Retiring Transfer from Auc	RWP-LINE TRANSFORM	ELEC/36801.000	ELEC/36801.0000
17101	Removal	WIP	X34	ALA Prior Year Retiring Transfer from Auc	RWP-SERVICES	ELEC/36901.000	ELEC/36901.0000
17101	Removal	WIP	X34	ALA Prior Year Retiring Transfer from Auc	RWP-ST LT/SIGNL SYS	ELEC/37301.000	ELEC/37301.0000
17101	Removal	WIP	X34	ALA Prior Year Retiring Transfer from Auc	Result		
17101	Removal	WIP	X35	ALA Prior Year Acquiring Transfer from Auc	RWP-LINE TRANSFORM	ELEC/36801.000	ELEC/36801.0000
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-STRUCT&IMPROVMT	ELEC/35201.000	ELEC/35201.0000
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-OH COND/DEVICES	ELEC/35601.000	ELEC/35601.0000
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-STATION EQUIP	ELEC/36201.025	ELEC/36201.0250
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-POLES,TWRS&FBDT	ELEC/36401.000	ELEC/36401.0000
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-OH CONDUCT DEV	ELEC/36501.000	ELEC/36501.0000
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-UG CONDUIT	ELEC/36601.000	ELEC/36601.0000
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-UG CONDUCT/DEV	ELEC/36701.000	ELEC/36701.0000
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-LINE TRANSFORM	ELEC/36801.000	ELEC/36801.0000
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-SERVICES	ELEC/36901.000	ELEC/36901.0000
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-ST LT/SIGNL SYS	ELEC/37301.000	ELEC/37301.0000
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-SECURITY LIGHT	ELEC/37302.000	ELEC/37302.0000
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-TRANSP EQUIP	ELEC/39201.732	ELEC/39201.7320
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-POWER OP EQUIP	ELEC/39601.738	ELEC/39601.7380
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-MICROWAVE EQUIP	ELEC/39701.000	ELEC/39701.0000
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-MICROWAVE EQUIP	ELEC/39701.013	ELEC/39701.0130
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	RWP-MICROWAVE EQUIP	Result	Result
17101	Removal	WIP	X36	ALA Current Year Retiring Transfer from Auc	Result		
17101	Removal	WIP	X42	ALA RWIP Prior Year Retiring Transfer from Auc	RWP-STATION EQUIPMT	ELEC/35301.025	ELEC/35301.0250
17101	Removal	WIP	X42	ALA RWIP Prior Year Retiring Transfer from Auc	RWP-OH COND/DEVICES	ELEC/35601.000	ELEC/35601.0000
17101	Removal	WIP	X42	ALA RWIP Prior Year Retiring Transfer from Auc	RWP-STRUCT&IMPROVE	ELEC/36101.000	ELEC/36101.0000
17101	Removal	WIP	X42	ALA RWIP Prior Year Retiring Transfer from Auc	RWP-STATION EQUIP	ELEC/36201.025	ELEC/36201.0250
17101	Removal	WIP	X42	ALA RWIP Prior Year Retiring Transfer from Auc	RWP-MICROWAVE EQUIP	ELEC/39701.000	ELEC/39701.0000
17101	Removal	WIP	X42	ALA RWIP Prior Year Retiring Transfer from Auc	Result		
17101	Removal	WIP	X44	ALA RWIP Current Year Retiring Transfer from Auc	RWP-OH COND/DEVICES	ELEC/35601.000	ELEC/35601.0000
17101	Removal	WIP	X44	ALA RWIP Current Year Retiring Transfer from Auc	RWP-MICROWAVE EQUIP	ELEC/39701.000	ELEC/39701.0000

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Bal.Sht.AcLAPC	Transaction Type		Asset class	PP&E	Value of Asset at period start	Settlement \$
17101	Removal WIP	ALA RWP Current Year Retiring Transfer from A	Result			
17101	Removal WIP #	Not assigned	RWP-MISC INT-NMF SW	ELEC/30302.000	\$ 0.00	
17101	Removal WIP #	Not assigned	RWP-LAND OWNED-FEE	ELEC/35001.000	\$ 0.00	
17101	Removal WIP #	Not assigned	RWP-STRUCT&IMPROVMT	ELEC/35201.000	\$ 2,591,564.19	
17101	Removal WIP #	Not assigned	RWP-STATION EQUIPMT	ELEC/35301.025	\$ 8,929,469.08	
17101	Removal WIP #	Not assigned	RWP-TOWER & FIXTURES	ELEC/35401.000	\$ 555,857.50	
17101	Removal WIP #	Not assigned	RWP-OH COND/DEVICES	ELEC/35601.000	\$ 20,741,543.79	
17101	Removal WIP #	Not assigned	RWP-LAND OWNED -FEE	ELEC/36001.000	\$ 6,317.70	
17101	Removal WIP #	Not assigned	RWP-STRUCT & IMPROVE	ELEC/36101.000	\$ 2,051,859.54	
17101	Removal WIP #	Not assigned	RWP-STATION EQUIP	ELEC/36201.025	\$ 6,647,742.01	
17101	Removal WIP #	Not assigned	RWP-POLES, TWRS & FIXT	ELEC/36401.000	\$ 2,191,791.49	
17101	Removal WIP #	Not assigned	RWP-OH CONDUCT DEV	ELEC/36501.000	\$ 723,087.98	
17101	Removal WIP #	Not assigned	RWP-UG CONDUIT	ELEC/36601.000	\$ 705,854.24	
17101	Removal WIP #	Not assigned	RWP-UG CONDUCT/DEV	ELEC/36701.000	-\$ 53,002.13	
17101	Removal WIP #	Not assigned	RWP-LINE TRANSFORM	ELEC/36801.000	-\$ 2,152,216.74	
17101	Removal WIP #	Not assigned	RWP-SERVICES	ELEC/36901.000	\$ 1,231,831.05	
17101	Removal WIP #	Not assigned	RWP-ST LTRSNL SYS	ELEC/37301.000	\$ 769,255.77	
17101	Removal WIP #	Not assigned	RWP-SECURITY LIGHT	ELEC/37302.000	\$ 11,120.21	
17101	Removal WIP #	Not assigned	RWP-SECURITY LIGHT	ELEC/37401.000	\$ 1,626.00	
17101	Removal WIP #	Not assigned	RWP-STRUCT&IMPROVMT	ELEC/39001.000	\$ 0.00	
17101	Removal WIP #	Not assigned	RWP-OFFICE F & F	ELEC/39101.000	\$ 0.00	
17101	Removal WIP #	Not assigned	RWP-TRANSP EQUIP	ELEC/39201.732	-\$ 197,721.54	
17101	Removal WIP #	Not assigned	RWP-POWER OP EQUIP	ELEC/39601.738	-\$ 43,960.42	
17101	Removal WIP #	Not assigned	RWP-MICROWAVE EQUIP	ELEC/39701.000	\$ 1,778,547.14	
17101	Removal WIP #	Not assigned	RWP-MICROWAVE EQUIP	ELEC/39701.013	\$ 8,764.89	
17101	Removal WIP #	Not assigned	RWP-MICROWAVE EQUIP	Result	\$ 1,787,312.03	
17101	Removal WIP #	Not assigned	Result		\$ 46,499,331.75	\$ 5,109,921.16
17101	Removal WIP	Result			\$ 46,499,331.75	\$ 5,109,921.16
Overall Result						

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

Bal.Sht.Acct.APC	Transaction Type		Asset class	PP&E	Xfer to/from AUC	Xfer between	Xfer to/from	Xfer to Reserve	Other Additions	Xfer to/from PIS	Ending Balance	
171011	Removal WIP	X44	ALA RWP Current Year Retiring Transfer from A	Result						\$ 21,634.92	-\$ 21,634.92	
171011	Removal WIP	#	Not assigned	RWP-MISC INT-NMF SW	ELEC/30302 000						\$ 0.00	Intangible Plant
171011	Removal WIP	#	Not assigned	RWP-LAND OWNED-FEE	ELEC/35601 000						\$ 0.00	Transmission
171011	Removal WIP	#	Not assigned	RWP-STRUCT&IMPROVMT	ELEC/35201 000						\$ 2,591,564.19	Transmission
171011	Removal WIP	#	Not assigned	RWP-STATION EQUIPMT	ELEC/35301 025						\$ 8,929,469.08	Transmission
171011	Removal WIP	#	Not assigned	RWP-TOWER & FIXTURES	ELEC/35401 000						\$ 555,857.50	Transmission
171011	Removal WIP	#	Not assigned	RWP-OH COND/DEVICES	ELEC/35601 000						\$ 20,741,543.79	Transmission
171011	Removal WIP	#	Not assigned	RWP-LAND OWNED-FEE	ELEC/36001 000						\$ 6,317.70	Distribution
171011	Removal WIP	#	Not assigned	RWP-STRUCT & IMPROVE	ELEC/36101 000						\$ 2,051,859.54	Distribution
171011	Removal WIP	#	Not assigned	RWP-STATION EQUIP	ELEC/36201 025						\$ 6,647,742.01	Distribution
171011	Removal WIP	#	Not assigned	RWP-POLES TWR&FIXT	ELEC/36401 000						\$ 2,191,791.49	Distribution
171011	Removal WIP	#	Not assigned	RWP-OH CONDUCT DEV	ELEC/36501 000						\$ 723,087.98	Distribution
171011	Removal WIP	#	Not assigned	RWP-LIG CONDUIT	ELEC/36601 000						\$ 705,854.24	Distribution
171011	Removal WIP	#	Not assigned	RWP-LIG CONDUCT/DEV	ELEC/36701 000						-\$ 53,002.13	Distribution
171011	Removal WIP	#	Not assigned	RWP-LINE TRANSFORM	ELEC/36801 000						-\$ 2,152,216.74	Distribution
171011	Removal WIP	#	Not assigned	RWP-SERVICES	ELEC/36901 000						\$ 1,231,831.05	Distribution
171011	Removal WIP	#	Not assigned	RWP-ST LT/SIGNL SYS	ELEC/37301 000						\$ 769,255.77	Distribution
171011	Removal WIP	#	Not assigned	RWP-SECURITY LIGHT	ELEC/37302 000						\$ 11,120.21	Distribution
171011	Removal WIP	#	Not assigned	RWP-SECURITY LIGHT	ELEC/37401 000						\$ 1,626.00	Distribution
171011	Removal WIP	#	Not assigned	RWP-STRUCT&IMPROVMT	ELEC/39001 000						\$ 0.00	General Plant
171011	Removal WIP	#	Not assigned	RWP-OFFICE F & F	ELEC/39101 000						\$ 0.00	General Plant
171011	Removal WIP	#	Not assigned	RWP-TRNSP EQUIP	ELEC/39201 732						-\$ 197,721.54	General Plant
171011	Removal WIP	#	Not assigned	RWP-POWER OP EQUIP	ELEC/39601 738						-\$ 43,960.42	General Plant
171011	Removal WIP	#	Not assigned	RWP-MICROWAVE EQUIP	ELEC/39701 600						\$ 1,778,547.14	General Plant
171011	Removal WIP	#	Not assigned	RWP-MICROWAVE EQUIP	ELEC/39701 013						\$ 8,764.89	General Plant
171011	Removal WIP	#	Not assigned	RWP-MICROWAVE EQUIP	Result						\$ 1,787,312.03	
171011	Removal WIP	#	Not assigned	Result							\$ 46,499,331.75	
171011	Removal WIP	Result	Not assigned	Result			\$ 0.00	-\$ 0.05	-\$ 6,561,322.89	\$ 0.02	-\$ 219,707.98	\$ 44,828,222.01
Overall Result							\$ 0.00	-\$ 0.05	-\$ 6,561,322.89	\$ 0.02	-\$ 219,707.98	\$ 44,828,222.01

GL 171011 544,828,222.01
 \$0.00

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

Rel.Sht.Acct.APC	Transaction Type	Asset class	PP&E
171011	Removal WIP #	ALA RWP Current Year Retiring Transfer from A:	Result
171011	Removal WIP #	Not assigned	RWP-MISC INT-NMF SW ELEC/30302.000 ELEC/30302.0000
171011	Removal WIP #	Not assigned	RWP-LAND OWNED-FEE ELEC/35001.000 ELEC/35001.0000
171011	Removal WIP #	Not assigned	RWP-STRUCT&IMPROVMT ELEC/35201.000 ELEC/35201.0000
171011	Removal WIP #	Not assigned	RWP-STATION EQUIPMT ELEC/35301.025 ELEC/35301.0250
171011	Removal WIP #	Not assigned	RWP-TOWER & ECTURES ELEC/35401.000 ELEC/35401.0000
171011	Removal WIP #	Not assigned	RWP-OH COND/DEVICES ELEC/35601.000 ELEC/35601.0000
171011	Removal WIP #	Not assigned	RWP-LAND OWNED-FEE ELEC/36001.000 ELEC/36001.0000
171011	Removal WIP #	Not assigned	RWP-STRUCT & IMPROVE ELEC/36101.000 ELEC/36101.0000
171011	Removal WIP #	Not assigned	RWP-STATION EQUIP ELEC/36201.025 ELEC/36201.0250
171011	Removal WIP #	Not assigned	RWP-POLES, TWRS & PDCT ELEC/36401.000 ELEC/36401.0000
171011	Removal WIP #	Not assigned	RWP-OH CONDUIT DEV ELEC/36501.000 ELEC/36501.0000
171011	Removal WIP #	Not assigned	RWP-UG CONDUIT ELEC/36601.000 ELEC/36601.0000
171011	Removal WIP #	Not assigned	RWP-UG CONDUIT/DEV ELEC/36701.000 ELEC/36701.0000
171011	Removal WIP #	Not assigned	RWP-LINE TRANSFORM ELEC/36801.000 ELEC/36801.0000
171011	Removal WIP #	Not assigned	RWP-SERVICES ELEC/36901.000 ELEC/36901.0000
171011	Removal WIP #	Not assigned	RWP-ST LT/SIGNL SYS ELEC/37301.000 ELEC/37301.0000
171011	Removal WIP #	Not assigned	RWP-SECURITY LGHT ELEC/37302.000 ELEC/37302.0000
171011	Removal WIP #	Not assigned	RWP-SECURITY LGHT ELEC/37401.000 ELEC/37401.0000
171011	Removal WIP #	Not assigned	RWP-STRUCT&IMPROVMT ELEC/39001.000 ELEC/39001.0000
171011	Removal WIP #	Not assigned	RWP-OFFICE F & F ELEC/39101.000 ELEC/39101.0000
171011	Removal WIP #	Not assigned	RWP-TRANSP EQUIP ELEC/39201.732 ELEC/39201.7320
171011	Removal WIP #	Not assigned	RWP-POWER OP EQUIP ELEC/39601.738 ELEC/39601.7380
171011	Removal WIP #	Not assigned	RWP-MICROWAVE EQUIP ELEC/39701.000 ELEC/39701.0000
171011	Removal WIP #	Not assigned	RWP-MICROWAVE EQUIP ELEC/39701.013 ELEC/39701.0130
171011	Removal WIP #	Not assigned	Result
171011	Removal WIP #	Not assigned	Result
Overall Result	Result		

2019 RATE CASE
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
TEST YEAR ENDED 12/31/2018

Bal.Sht.Agl.APC	Transaction Type	Asset class	PP&E	Value of Asset at period start	Settlements
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RM SHLAcrl.APC	Transaction Type	Asset class	PP&E	Xfer to/from AUC	Xfer between	Xfer to/from	Xfer to Reserve	Other Additions	Xfer to/from PIS	Ending Balance
										\$0.00 Intangible Plant
										\$31,870,783.27
										\$11,309,245.91
										Transmission
										Distribution
										70.81%
										26.19%
										100.00%
										\$0.00
										\$43,180,029.18
										\$0.00
										\$31,870,783.27
										70.81%
										26.19%
										100.00%
										\$0.00
										\$1,648,152.83
										General Plant
										\$1,216,501.60
										70.81%
										\$431,651.23
										Transmission
										Distribution
										70.81%
										26.19%
										100.00%
										\$0.00
										\$31,887,284.87
										Transmission
										Distribution
										70.81%
										\$11,340,937.14
										Transmission
										Distribution
										70.81%
										\$44,828,322.01
										Transmission
										Distribution
										70.81%
										\$6.00
										\$0.00
										\$0.00 Intangible Plant
										\$0.00
										\$0.00
										Transmission
										\$2,791,839.30
										Transmission
										\$9,861,908.64
										Transmission
										\$2,791,839.30
										Transmission
										\$18,586,662.44
										Transmission
										\$31,870,292.27
										\$8,343.58
										Distribution
										\$1,132,395.25
										Distribution
										\$7,298,833.16
										Distribution
										\$1,787,694.78
										Distribution
										(\$311,568.57)
										Distribution
										\$949,869.02
										Distribution
										(\$205,035.77)
										Distribution
										\$2,459,333.42)
										Distribution
										\$89,094.75
										Distribution
										\$72,538.28
										Distribution
										\$1,626.00
										Distribution
										\$31,870,292.27
										\$0.00
										General Plant
										\$0.00
										General Plant
										(\$123,691.43)
										General Plant
										\$33,073.58
										General Plant
										\$1,752,401.25
										General Plant
										\$54,116.59
										General Plant
										\$1,658,152.83
										\$0.00
										\$44,828,322.01
										Transmission
										Distribution
										\$0.00
										Total RWTP
										\$44,828,322.01
										\$0.00

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

Bal.Sht.Acct.APC	Transaction Type	Asset class	PP&E
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Total RWIP Allocated with T&D	
	\$0.00
	\$0.00
0.00%	\$0.00
6.33%	\$2,836,167.37
22.84%	\$10,238,344.75
1.60%	\$716,804.90
43.04%	\$19,295,967.85
	<u>\$33,087,284.87</u>
0.02%	\$8,673.21
4.94%	\$2,213,814.00
16.90%	\$7,577,370.99
4.14%	\$1,855,838.31
-0.72%	(\$323,435.27)
2.20%	\$986,128.38
-0.47%	(\$212,782.09)
-5.67%	(\$2,543,783.69)
2.95%	\$1,324,535.38
1.87%	\$839,919.21
0.03%	\$13,032.71
0.00%	\$1,626.00
	<u>\$11,740,937.14</u>
	\$0.00
	\$0.00
	\$0.00
	\$0.00
	\$0.00
	\$0.00
	\$0.00
	\$0.00
100.00%	<u>\$44,828,222.01</u>
	\$0.00

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

WORKPAPER WP/II-B-6 - ADJUSTMENTS AND KNOWN CHANGES

FERC Account	Description	Total Company	Adjustments and Known Changes		Company Total Electric
			WP II-B-6 Adj 1 Land Not Used in Next 10 Years	Total Known Changes	
Other Rate Base Items					
Plant Held for Future Use					
1050	Plant Held for Future Use	11,381,496	(10,260,003)	(10,260,003)	1,121,493
<i>Breakout Plant Held for Future Use by Function:</i>					
Transmission Plant					
350.03	TRANS LAND OWNED FEE	7,861,787	(7,861,787)	(7,861,787)	-
350.04	TRANS - LAND RTS	2,316,767	(2,316,767)	(2,316,767)	-
		Subtotal	10,178,554	(10,178,554)	-
Distribution Plant					
360.03	DIST LAND OWNED FEE	273,280	(31,902)	(31,902)	241,378
		Subtotal	273,280	(31,902)	241,378
General Plant					
389.03	LAND OWNED IN FEE	929,662	(49,547)	(49,547)	880,115
		Subtotal	929,662	(49,547)	880,115
TOTAL PLANT HELD FOR FUTURE USE		11,381,496	(10,260,003)	(10,260,003)	1,121,493
		Check	-		

Adjustment Description	
Adjustment	Description
WP II-B-6 Adj 1	Adjustment to remove land not used in next 10 years

**2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018**

WORKPAPER WP/II-B-6 - DETAILS OF COMPONENTS OF FERC 1050 ELECTRIC PLANT HELD FOR FUTURE USE

FERC Account	Description	Acct. 105 Balance	Within/Beyond 10 Year Plant	Included as a Post Test Year Addition	Beyond Amount	Within Amount
Transmission Plant						
Plant Account 350						
	Tract of land containing 1.728 acres owned in fee in the Mary V. O'Donnel Survey in Brazoria County, Texas acquired in 1958 under ER A-6377, for a proposed Alvin-Angleton transmission line.					
350.03		\$ 1,486.96	Beyond		\$ 1,486.96	\$ -
	Thirty-two (32) easements in Brazoria County, acquired in the years 1958 and 1961 under ER A-6377, for a proposed Alvin-Angleton transmission line.					
350.04		33,433.49	Beyond		33,433.49	-
	Three (3) tracts of land containing 11.654 acres in fee in the Sarah Dell League, Riston Morris League, Sylvester Murphy League, and Davis Harris League in Harris County, Texas acquired through even exchange in the year 1966 under ER 202-WA 102, for the proposed Clear Lake City - N.A.S.A. transmission line.					
350.03		19,871.90	Beyond		19,871.90	-
	Fifteen (15) tracts of land containing 15.930 acres owned in fee in Harris County, acquired in the years 1964, 1965, 1966 and 1970 under ER B-237 for a proposed tap to Spencer Substation.					
350.03		90,132.56	Beyond		90,132.56	-
	Four (4) tracts of land containing 8.116 acres owned in fee in the Leo Roark Survey and the George Morris Survey, Harris County, Texas acquired in 1974, 1976 and 1977 under ER B-7563, for a proposed Clodine Substation to Alief-Stafford transmission line.					
350.03		260,236.86	Beyond		260,236.86	-
	Four (4) tracts of land containing 8.116 acres owned in fee in the Leo Roark Survey and the George Morris Survey, Harris County, Texas acquired in 1974, 1976 and 1977 under ER B-7563, for a proposed Clodine Substation to Alief-Stafford transmission line.					
350.04		243,023.04	Beyond		243,023.04	-
	Tract of land containing 23.989 acres in fee in the John P. Borden Survey, Austin County, Texas, acquired in 1978 under ER B-7677, for a proposed Wallis Property to Brazos River transmission line					
350.03		151,483.35	Beyond		151,483.35	-
	Tract of land containing 23.989 acres in fee in the John P. Borden Survey, Austin County, Texas, acquired in 1978 under ER B-7677, for a proposed Wallis Property to Brazos River transmission line.					
350.04		5,548.89	Beyond		5,548.89	-
	Thirty-four (34) tracts of land containing 216.855 acres owned in fee in Harris County and Brazoria County, Texas acquired in the years 1972, 1973, 1974, 1975 and 1977 under ER B-5806, for a proposed Garden Villas South transmission line.					
350.03		1,061,940.02	Beyond		1,061,940.02	-

**2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018**

WORKPAPER WP/II-B-6 - DETAILS OF COMPONENTS OF FERC 1050 ELECTRIC PLANT HELD FOR FUTURE USE

FERC Account	Description	Acct. 105 Balance	Within/Beyond 10 Year Plant	Included as a Post Test Year Addition	Beyond Amount	Within Amount
350.04	Thirty-four (34) tracts of land containing 216.855 acres owned in fee in Harris County and Brazoria County, Texas acquired in the years 1972, 1973, 1974, 1975 and 1977 under ER B-5806, for a proposed Garden Villas South transmission line.	227,171.97	Beyond		227,171.97	-
350.03	Two (2) tracts of land containing 27.819 acres in fee in the Miles N. Allen Survey in Harris County, Texas, acquired in 1978 and 1980 under ER C-7677 for a proposed Wallis Property-Brazos River transmission line.	119,348.81	Beyond		119,348.81	-
350.04	Two (2) tracts of land containing 27.819 acres in fee in the Miles N. Allen Survey in Harris County, Texas, acquired in 1978 and 1980 under ER C-7677 for a proposed Wallis Property-Brazos River transmission line.	573,393.69	Beyond		573,393.69	-
350.03	Six (6) tracts of land containing 44.361 acres in fee in Austin and Fort Bend Counties, Texas, acquired in the years 1978, 1979 and 1980 under ER C-8710 for a proposed W.A. Parish-Wallis Substation transmission line.	260,237.21	Beyond		260,237.21	-
350.04	Six (6) tracts of land containing 44.361 acres in fee in Austin and Fort Bend Counties, Texas, acquired in the years 1978, 1979 and 1980 under ER C-8710 for a proposed W.A. Parish-Wallis Substation transmission line.	1,044,638.64	Beyond		1,044,638.64	-
350.04	Four (4) easements in Henderson County, acquired in 1983 under ER 2098, for a proposed Malakoff-Trinidad-Forest Grove transmission line.	147,557.16	Beyond		147,557.16	-
350.03	Tract of land containing 65.913 acres owned in fee in the W.C. Railroad Company Survey in Harris County, Texas, acquired in 1984 under ER 2993 for the site of the proposed Crosby North Substation.	297,902.56	Beyond		297,902.56	-
350.03	Two (2) tracts of land containing 1.781 acres in fee in the Fort Bend County, Texas, acquired in 1975 under ER C-7918 for a proposed W.A. Parish-Big Creek transmission line.	336,293.58	Beyond		336,293.58	-
350.04	Two (2) tracts of land containing 1.781 acres in fee in the Fort Bend County, Texas, acquired in 1975 under ER C-7918 for a proposed W.A. Parish-Big Creek transmission line.	41,999.81	Beyond		41,999.81	-
350.03	Two (2) tracts of land containing 89.518 acres owned in fee in the H. & T.C. Railroad Company Survey, Harris County, Texas, acquired in 1982 under ER C-8265 for a proposed Zenith transmission line.	524,987.03	Beyond		524,987.03	-
350.03	Two (2) tracts of land containing 10.90 acres owned in fee in the H. & T. C. Railroad Company and the Juan A. Padillo Surveys, Harris County, Texas, acquired in 1982 and 1983 under ER 8264 for the proposed Salem-Zenith transmission line.	3,536,446.29	Beyond		3,536,446.29	-

**2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018**

WORKPAPER WP/II-B-6 - DETAILS OF COMPONENTS OF FERC 1050 ELECTRIC PLANT HELD FOR FUTURE USE

FERC Account	Description	Acct. 105 Balance	Within/Beyond 10 Year Plant	Included as a Post Test Year Addition	Beyond Amount	Within Amount
350.03	2.745 acre tract Lot 1, Section 1 of Timber Ridge, Waller County, Texas, Cody Willmoth Grantor, Volume 419 Pg. 121 acquired in 2016.	106,469.00	Beyond		106,469.00	-
350.03	32.81 Acres out of the Moses Survey A-191, Grimes County, Texas, Volume 491, Pg. 201 acquired in 2016.	605,676.35	Beyond		605,676.35	-
350.03	3.001 Acres in the Joel Greenwood Survey A-20, Grimes County, Texas, John Bobo Grantor, Volume 611, Pg. 142 acquired in 2016.	322,092.54	Beyond		322,092.54	-
350.03	2.7415 Acres being Lot 3 in the John C. White Survey, A-274, Waller County, Texas, Oswald Carlton Grantor, Timber Ridge Section 1 Subdivision, Volume 419, Pg. 121 acquired in 2016.	46,163.97	Beyond		46,163.97	-
350.03	10.76 Acres out of 28 parcels in the Delago Delta Subdivision, Grimes County, Texas also included is the Bluebonnet Country Subdivision, Grantor JVC Development, Volume 1604 Pg. 441 acquired in 2016.	121,017.92	Beyond		121,017.92	-
Total Transmission Plant		\$ 10,178,553.60			\$ 10,178,553.60	\$ -
Distribution Plant						

**2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018**

WORKPAPER WP/II-B-6 - DETAILS OF COMPONENTS OF FERC 1050 ELECTRIC PLANT HELD FOR FUTURE USE

FERC Account	Description	Acct. 105 Balance	Within/Beyond 10 Year Plant	Included as a Post Test Year Addition	Beyond Amount	Within Amount
Plant Account 360						
360.03	Tract of land containing .2076 of an acre, out of Lot 12 of land owned in fee, in the subdivision of the John R. Harris League, in the City of Houston, acquired in 1953 under ER A-4612, plus additional of paving recorded in 1956, for the site of the proposed Broadway Substation.	3,351.56	Beyond		3,351.56	-
360.03	Tract of land containing 4.560 acres in fee in the C. W. McDonald and the F. Hooper Surveys in Fort Bend County, Texas, acquired in 1967 under ER C-2338 for the site of the proposed McHard Substation.	25,059.56	Beyond		25,059.56	-
360.03	Tract of land containing .038 of an acre owned in fee in the Mary Owens Survey and the James Strange Survey in Harris County, Texas, acquired in 1964 under ER B-318, for the proposed distribution line across Lake Houston.	3,490.73	Beyond		3,490.73	-
360.03	Tract of land containing 5.452 acres owned in fee in the A. R. Bodenan Survey of Harris County, Texas, acquired in the year 1985 under ER C-6110, for the site of the proposed Lee Substation.	192,075.10	Within		-	192,075.10
360.03	Tract of land containing 2.417 acres owned in fee in the H. T. & C. Railroad Company Survey in Harris County, Texas, acquired in 1982 under ER C-8255 for the site of the proposed expansion of Village Creek Substation.	49,302.96	Within		-	49,302.96
Total Distribution Plant		\$ 273,279.91		\$ -	\$ 31,901.85	\$ 241,378.06
General Plant						
Plant Account 389						
389.03	Tract of land containing .041 of an acre owned in fee in Harris County, Texas acquired in 1976 under ER B-6844 for the site of the Energy Development complex.	701.82	Beyond		701.82	-
389.03	Tract of land containing 3.00 acres owned in fee in the W. H. Jack League, in the City of Hitchcock, Galveston County, Texas, acquired in 1968 under ER B-2541, for the site of the proposed Hitchcock Service Center.	48,845.27	Beyond		48,845.27	-
389.03	Tract of land containing 20.6 acres owned in fee pertaining to FM 1462 lots 10 and 11 purchased in 2007 for the Brazoria Service Center.	466,173.08	Within		-	466,173.08
389.03	Tract of land containing 14.136 acres in the Andrew Robinson League A-125, Brazoria County, Texas, Keith Jaehne, Grantor, File # 2006072872 acquired in 2017 for the Brazoria Service Center.	413,942.07	Within		-	413,942.07
Total General Plant		\$ 929,662.24		\$ -	\$ 49,547.09	\$ 880,115.15

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2019 RATE CASE
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
TEST YEAR ENDED 12/31/2018

WORKPAPER WP/II-B-6 - DETAILS OF COMPONENTS OF FERC 1050 ELECTRIC PLANT HELD FOR FUTURE USE

FERC Account	Description	Acct. 105 Balance	Within/Beyond 10 Year Plant	Included as a Post Test Year Addition	Beyond Amount	Within Amount
Total		\$ 11,381,495.75		\$ -	\$ 10,260,002.54	\$ 1,121,493.21

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

WORKPAPER WP/II-B-7 - ADJUSTMENTS AND KNOWN CHANGES

FERC Account	Natural Account	Description	Adjustments and Known Changes			Total Known Changes	Company Total Electric
			Total Company	WP II-B-7 Adj 1 Non-Distribution	WP II-B-7 Adj 2 Not Used		
Other Rate Base Items							
Other Accumulated Provisions - Property Insurance & Damages							
2281	179030	Property Insurance Reserve	5,829,611	(39,354)		(39,354)	5,790,258
2282	258010	Injuries & Damages-Auto Liability	(796,863)			-	(796,863)
2282	258020	Injuries & Damages-Gen Liability	(8,407,221)			-	(8,407,221)
2282	258030	Injuries & Damages-Workers' Comp	(3,556,821)			-	(3,556,821)
Subtotal			(6,931,294)	(39,354)	-	(39,354)	(6,970,647)
Accumulated Deferred Income Taxes							
1900	194010	Deferred Income Tax-Federal	263,107,402			(97,044,671)	166,062,732
1900	194030	Deferred Income Tax-State/Local	7,800,166			(2,480,853)	5,319,313
2820	285020	Def Inc Taxes-Fed-Accel Depr	(1,086,782,189)			7,553,631	(1,079,228,558)
2830	285030	Def Inc Taxes-Federal-Other	276,895,979			(262,162,320)	14,733,659
2830	285032	Def Inc Taxes-Federal-Stranded	(70,020,646)			70,020,646	-
2830	285033	Def Inc Taxes-Federal-CTC	(26,715,332)			26,715,332	-
2830	285035	Def Inc Taxes-Fed-Other-Below Line	-			-	-
2830	285036	Def Inc Taxes-Fed-Restoration	(72,804,921)			72,804,921	-
2830	285037	Def Inc Taxes-Fed-CEHE True Up	(312,475,321)			312,475,321	-
2830	285060	Def Inc Taxes-State/Local-Other	(1,140,857)			1,089,404	(51,453)
Subtotal			(1,022,135,719)	-	-	128,971,411	(893,164,309)
TOTAL ACCUMULATED PROVISIONS			(1,029,067,013)	(39,354)	-	128,971,411	(900,134,956)

Adjustment Description

Adjustment	Description
WP II-B-7 Adj 1	Adjustment to remove Non-Distribution items
WP II-B-7 Adj 2	Adjustment Not Used
WP II-B-7 Adj 3	Adjustment to remove ADIT

2019 RATE CASE
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 TEST YEAR ENDED 12/31/2018

Property Insurance Reserve Adjustment

Source: SAP Data

Company Code	Assignment	Reference	G/L Account	Posting Period	Fiscal Year	Document Number	Document Type	Posting Date	Posting Key	Amount in local currency	Profit Center	Text
0003	HLP/10/0004/SB/E		257010	8	2010	100990480	AB	8/31/2010 40		37,914.57	1100500	WBS HLP/10/0004/SB/E
0003	HLP/10/0004/UG/OE		257010	8	2010	100990462	AB	8/31/2010 40		1,448.49	1100500	WBS HLP/10/0004/UG/OE
0003	HLP/10/0004/UG/OE		257010	8	2010	100990462	AB	8/31/2010 50		(9.48)	1100500	WBS HLP/10/0004/UG/OE
										<u>39,353.58</u>		

Note. Items coded to distribution property insurance reserve in error. The WBS description is for Substation (SB) and Underground (UG), not Distribution.