



Control Number: 49421



Item Number: 208

Addendum StartPage: 0

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

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

**COMMISSION STAFF'S NINTH REQUEST FOR INFORMATION TO**  
**OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC (CEHE)**  
**QUESTION NOS. STAFF 9-1 THROUGH 9-8**

Pursuant to 16 Texas Administrative Code (TAC) § 22.144, the Commission Staff of the Public Utility Commission of Texas (Commission) requests that CenterPoint Energy Houston Electric, LLC, (CEHE) by and through their attorneys of record, provide the following information and answer the following question(s) under oath. The questions shall be answered in sufficient detail to fully present all of the relevant facts, within the time limit provided by the Presiding Officer or within 10 days, if the Presiding Officer has not provided a time limit. Please copy the question immediately above the answer to each question. These questions are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.

Provide an original and three copies of your answers to the questions to the Filing Clerk, Public Utility Commission of Texas, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326.

WOB

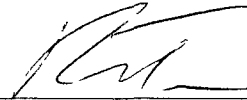
Dated: May 16, 2019

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

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

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on May 16, 2019, in accordance with 16 TAC § 22.74.



Rustin Tawater

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**DEFINITIONS**

- 1) "CEHE" or "you" refers to CenterPoint Energy Houston Electric, LLC and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.
  
- 2) "Document" includes any written, recorded, or graphic matter, however produced or reproduced, including but not limited to correspondence, telegrams, contracts, agreements, notes in any form, memoranda, diaries, voice recording tapes, microfilms, pictures, computer media, work papers, calendars, minutes of meetings or other writings or graphic matter, including copies containing marginal notes or variations of any of the foregoing, now or previously in your possession. In the event any documents requested by this Request for Information have been transferred beyond the Company's control, describe the circumstances under which the document was destroyed or transferred and provide an exact citation to the subject document. In the event that documents containing the exact information do not exist, but documents do exist which contain portions of the required information or which contain substantially similar information, then the definition of "documents" shall include the documents which do exist and these documents will be provided.

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**INSTRUCTIONS**

- 1) Pursuant to 16 TAC § 22.144(c)(2), Staff requests that answers to the requests for information be made under oath.
- 2) Please copy the question immediately above the answer to each question. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.
- 3) These questions are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer.
- 4) Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.
- 5) The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.
- 6) If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients or copies, subject matter of the document, and the basis upon which such privilege is claimed.
- 7) Pursuant to 16 TAC § 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.
- 8) Staff requests that each item of information be made available as it is completed, rather than upon completion of all information requested.

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- Staff 9-1** Please reference the Microsoft (MS) Excel workbook "*CEHE RFP Workpapers (redacted)*" filed with CenterPoint Energy Houston Electric, LLC's (CEHE's) April 5, 2019 application. In MS worksheet "WP II-E-4.1.1," CEHE shows the *Original Amount to be Amortized* amount of (\$4,030,874) associated with the regulatory liability balance related to the Hurricane Ike residual (Hurricane Ike Regulatory Liability). This Hurricane Ike Regulatory Liability of (\$4,030,874) was indirectly derived from MS worksheet "WP II-B-11 Adj 7".
- a. Provide, in electronic spreadsheet format with cell references and formulae intact, the derivation of the *Annual Interest Rate* of 11.075% in cell "B5" of the MS worksheet "WP II-B-11 Adj 7," which as indicated by CEHE in cell "C5" has Docket No. 38339 as its source (i.e., *Source: Docket No. 38339*). Please provide an explanation of how CEHE chose the different inputs (e.g., cost of debt, cost of long-term debt, return on common shareholders equity, etc.) used to derive the *Annual Interest Rate* of 11.075%.
- Staff 9-2** Please state whether and how the Company performed an adjustment to its Test Year kWh and revenues for the street lighting class to annualize the installation of LED lighting fixtures that occurred during the Test Year. Please also provide the amount of the energy adjustment, if any, and the corresponding adjustment to present revenues, if any. To the extent the Company has not performed this analysis, please provide lighting kWh and lighting present revenues reflecting an annualization of LED installations during the Test Year and provide the corresponding workpapers.
- Staff 9-3** Please refer to Confidential attachment PUC03-10 – *LED Streetlight Program*, at 6. Please provide the workpapers that support the NPV, IRR, and Payback period metrics in this attachment.
- Staff 9-4** Please provide an analysis comparing the all-in costs of CEHE's services to a lighting customer with a non-LED installation versus an equivalent LED installation. Please include a breakout of the various components of cost to the customer, and perform the analysis at different wattage levels.
- Staff 9-5** Please refer to CenterPoint's *FERC Forms 1* as filed on the record in *Docket No. 35588*. Please explain why CenterPoint's request for *FERC Account No. 925, Injuries and Damages*, is so much greater for the test year than for 2017 and 2016 as reported on CenterPoint's *FERC Forms 1*.

- Staff 9-6** Please provide CenterPoint's amount for *FERC Account No. 925, Injuries and Damages*, for calendar year 2019 through April 30, 2019.
- Staff 9-7** Please provide a schedule detailing the composition of the amounts for *FERC Account No. 925, Injuries and Damages*, included in CenterPoint's test-year amount of \$22,845,000 and included in the amount of \$2,317,000 that CenterPoint removed in its adjustment to *FERC Account No. 925*.
- Staff 9-8** Please refer to CenterPoint's *FERC Forms 1* as filed on the record in *Docket No. 35588*. Please explain the significant upward trend in expenses in *FERC Account No. 925, Injuries and Damages*, since CenterPoint's last test-year of calendar year 2009 in *Docket No. 38339* (trending upward from \$4.8 million for 2010 to now \$22.8 million for 2018 as reported on *FERC Forms 1*). Please also provide amounts showing the data by sub-account and an explanation for the significant upward trend by sub-account.