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Addendum StartPage: 0

SOAH DOCKET NO. 473-19-3864
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APPLICATION OF CENTERPOINT § BEFORE THE STATE OFFICE
ENERGY HOUSTON ELECTRIC, LLC § OF
FOR AUTHORITY TO CHANGE RATES § ADMINISTRATIVE HEARINGS

May 16, 2019

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TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
CenterPoint Energy Houston Electric, LLC's Response to Alliance for Retail Market's First Requests for Information	2-15
Certificate of Service	16

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-01**

QUESTION:

Does CenterPoint have any competitive affiliates, as defined by 16 TAC 25.272(c)(2)? If so, please provide a complete list of all of CenterPoint's competitive affiliates, including a description of the type of business conducted by the affiliate and the date upon which the competitive affiliate began doing business.

ANSWER:

Yes. CenterPoint Houston has one competitive affiliate: CenterPoint Energy Intelligent Energy Solutions, LLC ("Intelligent Energy Solutions"). Intelligent Energy Solutions began doing business as a competitive affiliate of CenterPoint Houston on January 1, 2016, when it took over the operation of the "TrueCost" business. TrueCost is an online retail electric plan comparison tool (www.myTrueCost.com) for residential and small commercial consumers inside all areas of Texas where retail electric choice is available. TrueCost has been operative since July 2012 but was operated by another affiliate of CenterPoint Houston, CenterPoint Energy Services, Inc., prior to January 1, 2016. Intelligent Energy Solutions also provides a web-based support service to CenterPoint's natural gas utility affiliate CenterPoint Energy Resources Corp ("CERC"). This service was rolled out in April 2018 and consists of an online platform (<https://move.centerpointenergy.com/move/#/>) where CERC's residential natural gas utility customers in Arkansas, Louisiana, Mississippi, Oklahoma and Texas can initiate, stop or transfer their natural gas service. In June 2018, Intelligent Energy Solutions also began offering a reliability services program to large commercial and industrial customers throughout CERC's natural gas utility service territories in the above listed states plus Minnesota. This program is designed to help large commercial and industrial customers meet their natural gas, electricity and water (collectively, "utility") reliability needs when they cannot be met by the standard service offerings of their various utility providers.

SPONSOR (PREPARER):

Michelle Townsend (Michelle Townsend)

RESPONSIVE DOCUMENTS:

None

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-02**

QUESTION:

Does the invested capital CenterPoint seeks to include in rate base include any payments made to a competitive affiliate? If so, please provide an itemized list of each item or class of items; the competitive affiliate to which the payment was made; the date of the payment; and the amount of the payment.

ANSWER:

The invested capital CenterPoint Houston seeks to include in rate base does not include any payments made to a competitive affiliate.

SPONSOR (PREPARER):

Michelle Townsend (Michelle Townsend)

RESPONSIVE DOCUMENTS:

None

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-03**

QUESTION:

Does the Test Year include any expenses relating to payments made to a competitive affiliate that CenterPoint seeks to recover? If so, please provide an itemized list of each item or class of items; the competitive affiliate to which the payment was made; the date of the payment; and the amount of the payment.

ANSWER:

The Test Year does not include any expenses relating to payments made to a competitive affiliate.

SPONSOR (PREPARER):

Michelle Townsend (Michelle Townsend)

RESPONSIVE DOCUMENTS:

None

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-04**

QUESTION:

Did CenterPoint conduct any transactions with its competitive affiliates during the Test Year? If so, please provide a complete list of each transaction; documentation demonstrating that each listed transaction was conducted at arm's length; and any amounts paid to or from CenterPoint in connection with each transaction.

ANSWER:

CenterPoint Energy Houston Electric, LLC did not conduct any transactions with its competitive affiliates during the Test Year.

SPONSOR (PREPARER):

Michelle Townsend (Michelle Townsend)

RESPONSIVE DOCUMENTS:

None

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-05**

QUESTION:

Please identify the subsidiary or subsidiaries of CenterPoint Energy, Inc. responsible for the development, maintenance, and promotion of the CenterPoint Energy brand.

- a. Please provide the total costs incurred and expended by each subsidiary in connection with the development, maintenance, and promotion of the CenterPoint Energy brand in each year from 2014 to the present, including the Test Year.
- b. With respect to CenterPoint's response to subpart (a), please provide the total costs allocated to CenterPoint in each year from 2014 to the present, including the Test Year.
- c. With respect to CenterPoint's response to subpart (a), please provide the total costs allocated to any other subsidiary in each year from 2014 to the present, including the Test Year. In answering this question, please provide the information for each identified subsidiary separately.
- d. Please quantify the amount of CenterPoint's total costs incurred during the Test Year relating to the development, maintenance and promotion of the CenterPoint Energy brand. Please verify whether CenterPoint seeks to recover those test-year costs.

ANSWER:

Management and promotion of the CenterPoint Energy brand resides within the Customer Operations - Marketing Communications and Marketing Strategy and Support groups that resides in the CenterPoint Energy Service Company, LLC. All cost associated with promotion of the CenterPoint Energy Inc. electric brand are allocated thru these groups and only those allocated cost are included in this rate case filing. The Highly Sensitive attachment - ARM01-05 (Highly Sensitive).xlsx is provided in response to subsections A,B,C,D and reflects the Marketing Communications and Marketing Strategy and Support cost allocations to CenterPoint Houston. Because the development of branding strategies is intertwined with other marketing activities, it is not possible to separately identify costs that are solely associated with branding. Therefore, the allocations presented on the attached worksheet are not exclusive to branding and include other allocations for things such as safety messaging and software licensing that are incurred in support of CenterPoint Houston.

The attachment is highly sensitive and is being provided pursuant to the Protective Order issued in Docket No. 49421.

SPONSOR (PREPARER):
Rebecca Demarr (Rebecca Demarr)

RESPONSIVE DOCUMENTS:
ARM01-05 (Highly Sensitive).xlsx

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-06**

QUESTION:

Please confirm or deny that CenterPoint Intelligent Energy Solutions, LLC is a competitive affiliate of CenterPoint.

ANSWER:

Confirmed, CenterPoint Intelligent Energy Solutions, LLC is a competitive affiliate of CenterPoint Houston.

SPONSOR (PREPARER):

Michelle Townsend (Michelle Townsend)

RESPONSIVE DOCUMENTS:

None

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-07**

QUESTION:

Please confirm or deny that CenterPoint Intelligent Energy Solutions, LLC manages and operates the TrueCost retail electric shopping portal.

ANSWER:

Confirmed, CenterPoint Intelligent Energy Solutions, LLC manages and operates the TrueCost retail electric shopping portal.

SPONSOR (PREPARER):

Michelle Townsend (Michelle Townsend)

RESPONSIVE DOCUMENTS:

None

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-08**

QUESTION:

Please provide by year the annual amount of costs allocated to CenterPoint since 2014 relating to the operation of the TrueCost retail electric shopping portal.

ANSWER:

There have been no costs allocated to CenterPoint Energy Houston Electric, LLC related to the operation of TrueCost from 2014 through the test year.

SPONSOR (PREPARER):

Michelle Townsend (Michelle Townsend)

RESPONSIVE DOCUMENTS:

None

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-09**

QUESTION:

Please provide by year the annual amount of revenues received by CenterPoint since 2014 relating to the operation of the TrueCost retail electric shopping portal.

ANSWER:

CenterPoint Energy Houston Electric, LLC has not received revenues related to TrueCost from 2014 through the test year.

SPONSOR (PREPARER):

Michelle Townsend (Michelle Townsend)

RESPONSIVE DOCUMENTS:

None

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-10**

QUESTION:

Is CenterPoint seeking the recovery of any costs associated with the TrueCost retail electric shopping portal in this proceeding?

ANSWER:

No, CenterPoint Energy Houston Electric, LLC is not seeking the recovery of any costs associated with TrueCost in this proceeding.

SPONSOR (PREPARER):

Michelle Townsend (Michelle Townsend)

RESPONSIVE DOCUMENTS:

None

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-11**

QUESTION:

Please provide all costs associated with the TrueCost retail electric shopping portal (if any) that have been allocated to, but excluded by, CenterPoint in the rate relief requested in this docket.

ANSWER:

There are no costs related to TrueCost allocated to CenterPoint Houston and excluded from this docket.

SPONSOR (PREPARER):

Michelle Townsend (Michelle Townsend)

RESPONSIVE DOCUMENTS:

None

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-12**

QUESTION:

Please provide all documents, including but not limited to, emails, memorandum, and internal company presentations that reference the TrueCost retail electric shopping portal in relation to the preparation of the CenterPoint application filed in this docket on April 5, 2019.

ANSWER:

There are no documents that reference the TrueCost electric shopping portal related to the preparation of the CenterPoint Houston's application filed in this docket.

SPONSOR (PREPARER):

Michelle Townsend (Michelle Townsend)

RESPONSIVE DOCUMENTS:

None

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-13**

QUESTION:

Please identify the existing or new SAC-04 code CenterPoint plans to use to implement new Rider UEDIT-Unprotected Excess Deferred Income Tax.

ANSWER:

CenterPoint Houston will initiate the Texas SET Change Control process as outlined in the ERCOT Nodal Protocols, Section 19, Texas Standard Electronic Transaction, to request the approval of a new SAC04 code to be utilized for Rider UEDIT.

SPONSOR (PREPARER):

John Hudson (John Hudson)

RESPONSIVE DOCUMENTS:

None

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

**ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM01-14**

QUESTION:

Please identify the existing or new SAC-04 code CenterPoint plans to use to implement its requested new discretionary service charge for customer-requested service calls related to Unmetered Service Attachments?

ANSWER:

CenterPoint Houston will initiate the Texas SET Change Control process as outlined in the ERCOT Nodal Protocols, Section 19, Texas Standard Electronic Transaction, to request the approval of a new SAC04 code to be utilized for Unmetered Service Attachment charge.

SPONSOR (PREPARER):

John Hudson (John Hudson)

RESPONSIVE DOCUMENTS:

None

CERTIFICATE OF SERVICE

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


