Control Number: 49421

Item Number: 358

Addendum StartPage: 0

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

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

RESPONSE OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC TO THE JOINT OBJECTION TO CENTERPOINT HOUSTON'S ERRATA 1 AND REQUEST TO AMEND THE PROCEDURAL SCHEDULE

CenterPoint Energy Houston Electric, LLC ("CenterPoint Houston" or the "Company") urges the Administrative Law Judges to deny the Joint Objection to CenterPoint Energy Houston Electric, LLC's Errata 1 and Request to Amend Procedural Schedule filed on May 28, 2019 (the "Objection and Request") and in support, shows as follows:

I. INTRODUCTION

In SOAH Order No. 2, the ALJs set a procedural schedule that fairly balances the requirement of completing this proceeding within the 185-day statutory time period with the desire to provide all parties adequate time to prepare testimony, present evidence at hearing, and conduct briefing. Joint Movants did not appeal the ALJs' ruling in SOAH Order No. 2, but they now seek a delay relying on an argument which was rejected in the Company's last rate case.[1] Specifically, the Joint Movants seek to re-start the jurisdictional deadline in this proceeding by arguing that the Company's May 20, 2019 Errata filing ("Errata") had the effect of creating a "completely NEW Application."[2] In truth, the Company's Errata simply summarized certain corrections to the Company's testimony and schedules that were already identified and provided to the Parties through the discovery process. Those discovery responses are attached to this response and discuss the two primary corrections impacting the base rate revenue requirement and the increased refund

[1] *See* Docket No. 38339, SOAH Order No. 9 (Aug. 27, 2010) (denying the Joint Motion of Commission Staff, *et al.* to Find Statement of Intent and Notice Deficient, to Set Revised Effective Date for Rates, and Request for Expedited Ruling).
[2] Joint Objection and Request at 2.

related to the Company's proposed Rider UEDIT: (1) the need to gross up, for tax purposes, the unprotected EDIT amounts refunded through Rider UEDIT and (2) the statutory requirement of including carrying costs on the Company's Hurricane Harvey costs. These changes do not result in a "new" application nor do the corrections provide an excuse to arbitrarily extend the statutorily imposed deadline in this case.

Moreover, the Company's Errata was filed approximately two weeks prior to the deadline for intervenor testimony and is not new information, as the corrections were previously disclosed during discovery. While the Joint Movants complain that the Company "provided a table summarizing more than 100 corrections to the schedules and workpapers,"[3] the table, in actuality, contains only 17 changes that impact the cost of service.[4] And, the table serves as a road map to enable parties to flow these corrections through the Company's fully executable schedules and workpapers model; materials that were filed with the Commission and provided to parties at the time of the initial filing on April 5, 2019.

Finally, while the Joint Movants argue that the Errata increases the Company's requested revenues, the reality is that these corrections have no material effect on the rate increase noticed by the Company. The Company's amended notice filed on April 15, 2019 provided for a requested retail revenue requirement increase of approximately $187 million;[5] the Errata results in an overall $2 million increase in the Company's requested retail revenue requirement, which the Company expects the Commission may limit to the noticed amount. Thus, while Joint Movants remain unhappy with the existing procedural schedule, the Company's Errata does not prejudice their ability to prepare their case. The Company's Errata is no different than other errata filings in other

[3] Joint Objection and Request at 1.
[4] Most of the rows on the table note instances where a broken link between the Company's schedules and workpapers could be fixed.
[5] This increase excludes the impact of Rider UEDIT over the three year amortization period. The amended notice provided for a requested retail revenue requirement increase of approximately $154 million including the impact of Rider UEDIT over the three year amortization period.

rate proceedings. Errata often do impact the requested rates. In those cases and in this case, the correction does not function to re-set the statutory deadline. Joint Movants' request for extraordinary relief should be denied in favor of allowing this case to proceed as currently scheduled.

II. ARGUMENT

A. The Correction of Minor Errors by CenterPoint Houston Does Not Justify Revision of the Procedural Schedule.

In order for a mistake in a Statement of Intent to rise to the level of such significance that it must be corrected and the timelines restarted, it must be a material deficiency.[6] A materially deficient Statement of Intent is one in which some element of the statutory requirements are not met or the rate-filing package is incomplete.[7] "[T]he purpose of the material deficiency process . . . is to address the absence of information that materially impedes the other parties' ability to review the filing."[8] The Errata filed by the Company more than a week ago:

- Simply summarizes corrections disclosed to Joint Movants and Staff in discovery;
- Provides a road map that enables Joint Movants to review these corrections as part of the fully executable Schedules and Cost of Service model included with the Company's initial Rate Filing Package on April 5, 2019;
- Does not change a single discovery response made by the Company to Intervenors or Staff;
- Does not interject any additional policy issues into the case; and,
- Does not have a material impact on the Company's requested cost of service.

As Staff stated in prior briefing, the material deficiency requirement is an "admittedly low standard," that only requires a review of whether the utility "had submitted information for each

[6] 16 TAC § 22.75(c).
[7] A rate filing submitted by Southwestern Bell was found to be materially defective because it did not contain all of the proposed tariffs and schedules that were statutorily required. OP. TEX. ATT'Y GEN. NO. JM-127 (1984).
[8] *Application of Southwestern Electric Power Company for Authority to Change Rates*, Docket No. 37364, Order No. 6 at 6 (Sep. 30, 2009).

required portion of the [Rate Filing Package] or had requested a waiver."[9] "Based on the timeframe required by § 22.75, it seems clear that the determination of whether there are material deficiencies in an application must be based on a cursory review of the filing, not an in-depth analysis of the data and supporting information."[10] Thus, when reviewing a Rate Filing Package for material deficiencies, parties are ***not*** required to

> determine whether or not the information was complete, correct, and consistent or whether the information was sufficient to meet [the utility's] burden of proof in th[e] proceeding. A determination on those matters generally can only be made after discovery and the results of such review will be addressed in testimony filed by Staff and other parties.[11]

CenterPoint Houston's Amended Notice, as required by PURA § 36.103, notified all parties and customers of the effect the proposed change is expected to have on the revenues of the utility. Joint Movants' primary complaint is that instead of stating that the increase would be "approximately $187 million," it should have said "approximately $189 million" (a difference of approximately 1% when compared to the noticed increase and a difference of approximately 0.09% when compared to the noticed revenue requirement).[12] Had the Statement of Intent and Notice not contained any recitation of the effect of the proposed change on the utility's revenues, that omission could arguably be deemed a material deficiency. This is not, however, the case. CenterPoint Houston complied with the statutory requirement and included in its Statement of Intent the *expected* effect the rate change would have on its revenues.

Moreover, Joint Movant's Objection and Request gives little acknowledgement to the fact that the Company's Errata also corrected the calculation of rates for Rider UEDIT—the net effect of which is to lower the Company's overall request by approximately $6 million per year for the

---

[9] *Petition to Inquire into the Reasonableness of the Rates and Services of CapRock Energy Corporation*, Docket No. 28813, Staff's Response to Order No. 26 at 5 (Aug. 31, 2004).
[10] *Id.* at 2.
[11] *Id.* at 3.
[12] Moreover, as stated above, the Company expects that the Commission may limit the approved revenue requirement to that noticed amount.

three years following rate implementation.[13] The need for this correction was identified through the discovery process and the Company's intent in filing the Errata change was to acknowledge the need for the change and to save parties time and effort in filing testimony regarding the need for the change. There is no need to adjust the current procedural schedule simply because the Company has acknowledged the merit of a proposed correction discovered in responding to requests for information.

As to HEB's assertion that the schedule is "untenable," HEB intervened on May 20, 2019—the intervention deadline in this proceeding. Its decision to wait until the intervention deadline should not be held against CenterPoint Houston. This is especially the case where HEB is represented by experienced regulatory counsel and the procedural schedule has been in place since May 1. Further, pursuant to HEB's request on May 23, three days following its intervention, the Company diligently reproduced discovery responses already provided to the other parties over the course of the past 50 days and attempted to provide those responses to HEB as soon as possible. HEB received the package of discovery, including approximately 80 responses that require additional Highly Sensitive and Confidential protections, this morning. With respect to HEB's complaints relating to rate design and allocation, the evidence will demonstrate that CenterPoint Houston is following Commission precedent with respect to its use of 4CP. The Company's Errata in this regard simply flowed through the effects of other corrections into this rate design, which remains unchanged in the Company's filing.

Finally, to date, Intervenors and Staff have served almost 1,300 discovery requests, when subparts are included, on the Company. No party has alleged that the Company's application is incomplete or missing a required RFP schedule. No party has even asked a request for information

[13] The Joint Movant's Objection and Request mistakenly asserts the Rider UEDIT would only be in effect for two years.

about the Errata since it was filed on May 20. The Movants' ability to prepare direct testimony or evidence has not been impeded.

B. The Movants' Request Is an Improper Attempt to Avoid the Requirements of Procedural Rule 22.75(c) Relating to Notice of Material Deficiencies.

The time for notice of material deficiencies in rate change applications is expressly and unambiguously stated in Commission Procedural Rule § 22.75. Motions to find a rate change application materially deficient must be filed no later than 21 days after the application is filed.[14] The Company's application in this proceeding was filed on April 5, 2019. And, as of the date of this filing, this case has been pending now for over 50 days. Accordingly, Movants' motion in this case violates the Commission's material deficiency rule.

Moreover, the policy considerations for adhering to the 21-day time limit in Rule 22.75 are also well-recognized and have been clearly expressed on at least one previous occasion by Staff. In *Petition to Inquire into the Reasonableness of the Rates and Services of CapRock Energy Corporation*, Docket No. 28813, Staff briefed the specific issue of whether to find an application materially deficient after the deadline under Procedural Rule 22.75 had passed.[15] Staff's briefing in Docket No. 28813 notes that the 21-day time-limit contained in Procedural Rule 22.75 balances two concerns. First, "by making the determination of material deficiency early in a utility-initiated rate proceeding, the rule enables the utility to cure the deficiencies, if any, and still proceed to a final resolution without too much delay in the schedule."[16] Staff reasoned in Docket No. 28813 that this first policy consideration helps to lessen regulatory lag—an especially important consideration if the utility is in need of a rate increase, as is true for CenterPoint Houston in this case.[17] Movants' motion here seeks a complete restart to the 185-day timeline. In fact,

[14] 16 TAC § 22.75.
[15] *See* Docket No. 28813, Staff's Response to Order No. 26.
[16] *Id.* at 4.
[17] *Id.*

CenterPoint Houston estimates that if Movants' request is granted this proceeding will be delayed 60 to 90 days past the 185-day statutory deadline, if not more. Simply put, if Movants motion is granted the first policy objective of Procedural Rule 22.75 fails.

Secondly, as Staff noted in Docket No. 28813, "the rule helps to ensure that at least the information required by the RFP (rate filing package) is provided at the earliest possible time so that Staff and other parties can begin their analysis with the goal of completing the analysis within the generally applicable 185-day review period mandated by statute."[18] It is uncontroverted that this policy goal has been met in this proceeding. Joint Movants do not suggest otherwise. Staff came to the final conclusion in Docket No. 28813 that "allowing allegations of material deficiency to be raised at a late state of the proceeding only serves to delay the hearing on the merits."[19] The same is true in this case.

C. The Commission, and Therefore the ALJs, Do Not Have Statutory Authority to Grant the Extraordinary Relief That Movants Request.

The risk of granting the Movants' request cannot be overstated. It is CenterPoint Houston's position that its Statement of Intent and Notice are sufficient. If CenterPoint Houston is correct in its position and yet the relief sought by the Movants is granted, the Commission may be prevented from rendering a final determination within the statutorily-imposed 185-day deadline. If this occurs, CenterPoint Houston's proposed rates would become effective by operation of law on October 7, 2019.[20]

III. CONCLUSION

The Company has tried to work with parties in this case to avoid the filing of this motion. The Company filed its Errata advising the parties of these corrections prior to the due date of one of the discovery responses acknowledging one of the errors. The purpose of Movants' motion is

[18] *Id.*
[19] *Id.* at 5.
[20] Public Utility Regulatory Act, Tex. Util. Code Ann. § 36.108(c).

transparent: this is an attack on the procedural schedule in this case in an attempt to buy more time. For the foregoing reasons, CenterPoint Houston respectfully requests that the ALJs deny Joint Movants' motion and grant CenterPoint Houston such other relief to which it may show itself entitled.

Respectfully submitted,

Patrick H. Peters III
Associate General Counsel and
Director of Regulatory Affairs
CenterPoint Energy, Inc.
1005 Congress Avenue, Suite 650
Austin, Texas 78701
512.397.3032
512.397.3050 (fax)
patrick.peters@centerpointenergy.com

Mickey Moon
Assistant General Counsel
CenterPoint Energy, Inc.
1111 Louisiana, 19th Floor
Houston, Texas 77002
713.207.7231
713.454.7197 (fax)
mickey.moon@centerpointenergy.com

Coffin Renner LLP
1011 West 31st Street
Austin, Texas 78705
512.879.0900
512.879.0912 (fax)
ann.coffin@crtxlaw.com
mark.santos@crtxlaw.com

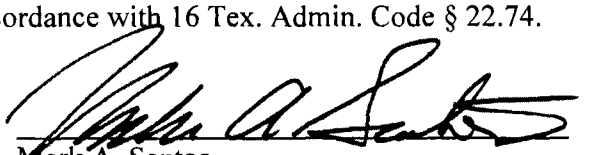
Ann M. Coffin
State Bar No. 00787941
Mark A. Santos
State Bar No. 24037433

COUNSEL FOR CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC

8

CERTIFICATE OF SERVICE

I hereby certify that on this 29th 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.



Mark A. Santos

9

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

PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC08-14

QUESTION:

Miscellaneous

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 $64,406,143 associated with the regulatory asset balance related to the Hurricane Harvey restoration cost (Hurricane Harvey Regulatory Asset). This Hurricane Harvey Regulatory Asset amount of $64,406,143 was derived from MS worksheet "WP II-B-12b Hurricane Harvey" in the same MS workbook "CEHE RFP Workpapers (redacted)".

Please, respond the following questions:

a. Does the Hurricane Harvey Regulatory Asset amount of $64,406,143 include carrying costs?;

b. If the answer to part "a" of this question is "yes," please provide, in electronic spreadsheet format with cell references and formulae intact, the calculation of such carrying costs;

c. If the answer to part "a" of this question is "no," has CEHE included any carrying charges associated with the Hurricane Harvey Regulatory Asset amount of $64,406,143 somewhere in its April 5, 2019 application? If "yes," please indicate where in CEHE's April 5, 2019 application such carrying charges where included and provide in, electronic spreadsheet format with cell references and formula intact, the calculation of such carrying charges;

d. If CEHE has not included anywhere in its April 5, 2019 filing carrying charges associated with the Hurricane Harvey Regulatory Asset amount of $64,406,143, please explain why?; and

e. If CEHE has not included anywhere in its April 5, 2019 filing carrying charges associated with the Hurricane Harvey Regulatory Asset amount of $64,406, 143 and believes that such carrying charges should be included, please provide in electronic spreadsheet format with cell references and formula intact, the amount of carrying charges that the Company believes that should be recovered in rates.

ANSWER:

a. CenterPoint Houston's original filing did not request carrying costs in or on the Hurricane Harvey Regulatory Asset. Therefore, the $64.4 million balance did not include carrying costs. See response to (e) below for additional information.

b. CenterPoint Houston is requesting carrying charges on Hurricane Harvey regulatory asset in its errata filing on May 20, 2019. See response to (e) below.

c. Consistent with CenterPoint Houston's errata filing, CenterPoint Houston is requesting a Hurricane Harvey Regulatory Asset balance of $73,148,639 as of December 31, 2018, which will be reflected on revised Schedule II-B-12, line 7 and on Schedule II-B, line 22 as part of rate base. The carrying charges associated with this regulatory asset will also be reflected in the return on rate base line 30 of Schedule II-B.

d. Please see response to item (c). CenterPoint Houston inadvertently excluded the carrying charges from its initial filing.

e. Please see PUC08-14e Attachment 1 for the amount of carrying charges that is included in the errata filing on May 20, 2019.

SPONSOR (PREPARER):
Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:
PUC08-14e Attachment 1.xlsx

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

GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC01-06

QUESTION:

Refer to the calculation of the annual revenue requirement for the proposed Rider UEDIT labeled as "Schedule Rider UEDIT" sponsored by Ms. Colvin and the related WP/WP Rider UEDIT, which shows the regulatory liability balances with the income tax gross-up and the removal of the income tax gross-up to calculate the negative amortization expense without the income tax gross-up.

a. Confirm that this calculation reflects a negative amortization expense equal to the three-year straight-line amortization of the EDIT regulatory liability after removing the income tax gross-up.
b. Explain why the Company did not include the income tax gross-up to calculate the revenue requirement resulting from the negative amortization expense. If the Company believes that its calculation is correct then provide a copy of all authoritative support for this position. In addition, provide a copy of all internal correspondence and external correspondence wherein this issue was addressed. Further, identify the person and position of the decision-maker who decided not to include the income tax gross-up.
c. If, upon further review, the Company now believes that the negative amortization expense should be grossed-up to calculate the revenue requirement, then provide a corrected Schedule Rider UEDIT.

ANSWER:

a. The income tax gross-up was not included in the calculation
b. The Company had inadvertently excluded the income tax gross-up
c. Please see GCCC01-06 Attachment 1 for the corrected Schedule Rider UEDIT.

SPONSOR (PREPARER):
Kristie Colvin / Charles Pringle (Kristie Colvin / Charles Pringle)

RESPONSIVE DOCUMENTS:
GCCC01-06 Attachment 1.xlsx

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

GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC03-08

QUESTION:

Refer to WP II-D-2 Adj 6.1, which shows the calculation of pension expense based on the 2019 actuarial amounts for CEHE and the Service Company allocations to CEHE. Explain why there is no allocation of the Service Company charges to capital. Provide a copy of all accounting procedure guidelines and other documentation that address this issue.

ANSWER:

The Service Company allocation on WP II-D-2 Adj 6.1 inadvertently left out capital charges and will be corrected in an errata filling.

SPONSOR (PREPARER):
Kristie Colvin / Michelle Townsend (Kristie Colvin / Michelle Townsend)

RESPONSIVE DOCUMENTS:
None

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

GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC03-04

QUESTION:

Refer to Schedule II-B-11 page 1 of 2 and the adjustment to reduce the Reg Liability Pension BRP and Postretirement by $61.612 million. Refer also to Exhibit KLC-08b page 2 of 3 Note 22, which refers to this adjustment and states: "This adjustment is to remove balances that are required under GAAP that have no impact on rate making."

a. Confirm that the Company had a regulatory liability of $68.522 million on its accounting books in account 254 at December 31, 2018. Provide a copy of the source documents for this amount, including the relevant account balances from the Company's trial balance and the relevant pages from the actuarial reports. To the extent that the Company made any calculations to determine the amount recorded on its accounting books compared to the amounts set forth in the actuarial reports, provide a reconciliation, along with an explanation for each reconciling difference.

b. Explain why the $68.522 million was recorded as a regulatory liability under GAAP. Provide a copy of all supporting documentation for the Company's accounting and all documentation reviewed and/or relied on for your response.

c. Confirm that the $68.522 million is the cumulative amount of the difference between the BRP and postretirement benefit expense recovered in rates and the funding of these plans, i.e., the analog of the pension expense regulatory liability of $60.482 million also shown on Schedule II-B-11.

d. Explain why the Company believes that it should not be required to reduce rate base by the amount of the $68.522 million recorded on its accounting books. Provide a copy of supporting documentation reviewed and relied on for this position and for your response.

e. Explain why the Company did not reflect the negative $6.910 million calculated on WP/WP II-B-11 Adj 8 as a separate adjustment to reduce rate base in the same manner that it included the $170.369 million on WP/WP II-B-11 Adj 8 as a separate adjustment to increase prepayments on Schedule II-B-10 for prepaid pension assets.

f. If, upon further reflection, the Company believes that it made an error with respect to the effective elimination of the $68.522 million BRP and postretirement regulatory liability, then provide revised schedules to reflect the correction of this error. If the Company does not believe it made an error, then explain why it does not.

ANSWER:

a. Please see GCCC03-04a Attachment 1.xlsx for the account balance from CenterPoint Houston's trial balance and GCCC03-04a Attachment 2 (confidential).xlsx for the relevant pages of the actuarial report.

b. The $68.522 million represents the unrecognized gains, primarily due to cumulative plan design changes in the CenterPoint Energy Postretirement Plan, as of December 31, 2018 that has not yet been reflected in CenterPoint Houston's postretirement benefit cost. This amount will be recognized as a component of the actuarially measured net postretirement benefit cost for the future periods. Under Accounting Standards Codification (ASC) 715-30-35 (GCCC03-04b Attachment 1 ASC 715-30-35.pdf), the unrecognized gains or losses from the plan's re-measurement are required to be recorded on a company's book as other comprehensive income(loss), or, for regulated entities pursuant to ASC 980-340-25 (GCCC03-04b Attachment 2 ASC 980-340-25.pdf), as a regulatory asset or liability, respectively.

c. Deny. Please see response to (b). Amounts related to the BRP are not included in this amount.

d. Please see response to (b) and response to GCCC01-08.

e. CenterPoint Houston did in fact reduce rate base by $6.910 million as reflected on Schedule II-B-11, line 18. However, it should be reflected on Schedule II-B-7 as Other Accumulated Provisions and will be corrected in an errata filing.

f. CenterPoint Houston does not believe it made an error as explained in the responses above. Also note, amounts related to the BRP are not included in this amount.

Attachment GCCC03-04a Attachment 2 (confidential).xlsx is confidential and is being provided pursuant to the Protective Order issued in Docket No. 49421.

SPONSOR (PREPARER):
Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:
GCCC03-04a Attachment 1.xlsx
GCCC03-04a Attachment 2 (confidential).xlsx
GCCC03-04b Attachment 1 ASC 715-30-35.pdf
GCCC03-04b Attachment 2 ASC 980-340-25.pdf

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

ALLIANCE FOR RETAIL MARKET
REQUEST NO.: ARM03-04

QUESTION:

Please calculate the UEDIT Rider credits for each rate class based on a two-year amortization period. Please provide a side-by-side comparison of those UEDIT Rider credits and the proposed UEDIT Rider credits in CenterPoint's application.

ANSWER:

A revision to the proposed UEDIT Rider was made in GCCC01-06. The side-by-side comparison of the credits for each rate class below reflects that revision.

Class	3 Yr Amount	2 Yr Amount	3 Yr Rates	2 Yr Rates
Residential	$ (21,143,270)	$ (30,548,168)	$ (0.000725)	$ (0.001048)
Secondary				
=<10 Kva	(528,787)	(764,001)	(0.000576)	(0.000832)
>10 Kva	(12,854,242)	(18,572,034)	(0.156695)	(0.226396)
Primary	(1,216,286)	(1,757,311)	(0.090356)	(0.130549)
Transmission	(2,834,514)	(4,095,355)	(0.095129)	(0.137444)
Street Lighting	(1,022,952)	(1,477,979)	(0.005008)	(0.007235)
Miscellaneous Lighting	(54,165)	(78,259)	(0.001106)	(0.001597)
TOTAL	**$ (39,654,216)**	**$ (57,293,107)**		

SPONSOR (PREPARER):
Kristie Colvin/Matthew Troxle (Kristie Colvin/Matthew Troxle)

RESPONSIVE DOCUMENTS:
None

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

CITY OF HOUSTON
REQUEST NO.: COH03-35

QUESTION:

Retirement plans: Please provide copies of the actuary reports supporting the test year level of pension costs for each retirement plan or post-retirement benefits.

ANSWER:

Please see the following pages of the actuarial report provided for the adjusted test year pension and postretirement costs as shown on WP II-D-2 Adj 6.1.

The attachments are confidential and is being provided pursuant to the Protective Order issued in Docket No. 49421.

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

DATE	TITLE	PREPARER	PAGE NO (S)	ACTUARIAL REPORT PAGE
Undated	COH03-35 CNP Postretirement AV 2018 (confidential).pdf	Kristie Colvin	1-75	44
Undated	COH03-35 CNP Retirement AV-2018 (confidential).pdf	Kristie Colvin	1-53	13
Undated	COH03-35 CNP BRP AV 2018 (confidential).pdf	Kristie Colvin	1-22	12

SPONSOR (PREPARER):
Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:
COH03-35 CNP Postretirement AV 2018 (confidential).pdf
COH03-35 CNP Retirement AV-2018 (confidential).pdf
COH03-35 CNP BRP AV 2018 (confidential).pdf

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

CITY OF HOUSTON
REQUEST NO.: COH03-40

QUESTION:

Regulatory Assets and Liabilities: For each regulatory asset and liability, provide an explanation of the item, the reason for including it in rate base, and any related statutes, orders, legal precedent or other available documentary support for including the item in rate base.

ANSWER:

Please see Schedule II-B-12a for Regulatory Assets explanation, the reason for including it in rate base, and the related statues, order, legal precedent or other documentary support.

Please see below for Regulatory Liabilities explanation, the reason for including it in rate base, and the related statues, order, legal precedent or other documentary support.

1. Regulatory Liability-Pension - PURA 36.065, Docket No. 38339 Order on Rehearing Finding of Fact 60.

PURA 36.065 allows a utility to defer the difference between actual pension and postemployment benefit costs and the amounts approved in the utility's last general rate case proceeding.

2. Regulatory Liability Pension BRP and Postretirement - This item is not a regulatory liability and was inadvertently included on II-B-11. It should have been on II-B-7 Rate Base Accounts - Accum. Provisions and will be corrected in an errata filing.

3. Regulatory NC Liability EDIT - Plant - ASC 740

Under ASC 740 a regulatory liability must be established for a change in tax rate if it is probable the excess deferred taxes will be refunded to customers. Protected EDIT is reversed under Average Rate Assumption Method and is protected under normalization rules. These balances are included in rate base to maintain rate base neutrality before and after the rate change.

Please see the direct testimony of Kristie L. Colvin on bates pages 906 and 907 for a list of regulatory assets and liabilities previously approved by the commission to be in rate base.

SPONSOR (PREPARER):
Kristie Colvin / Charles Pringle (Kristie Colvin / Charles Pringle)

RESPONSIVE DOCUMENTS:
None

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

CITY OF HOUSTON
REQUEST NO.: COH09-06

QUESTION:

Please refer to Page 18 of 27 of WP/Streetlight Rate Design and answer the following questions:

a. Please explain in detail how the initial investments for Luminaire for the LED Lighting were determined.
b. Please explain in detail how the $18.32 initial investment for the Photovol TAIC Electric Relay (PER) for the LED Lighting was determined.
c. Please explain in detail how the $46.34 initial investment for the Mounting Bracket for the LED Lighting was determined.
d. Please explain in detail how the $20 initial investment for the 100' SPan - #4-2C Twist @ $.20/FT for the LED Lighting was determined.
e. Please explain in detail how the $7.53 initial investment for the Arm Wiring /Splices/Misc. Components for the LED Lighting was determined.
f. Please explain in detail how the $134.35 initial investment for the Installation Cost (Labor) for the LED Lighting was determined.
g. Please explain in detail how the initial investments for the Overhead (Stores & Engr.) for the LED Lighting were determined.
h. Please explain in detail how the $36.64 Fixture Replacement Cost for the LED Lighting was determined.
i. Please explain in detail how the $19.95 Transportation Cost for the LED Lighting was determined.
j. Please explain in detail how the $94.89 Labor Cost/hr for the LED Lighting was determined.
k. Please explain in detail how the $109.13 Replacement Cost (Labor) for the LED Lighting was determined.
l. Please explain in detail how the $6.92 Overhead (Store) for the LED Lighting was determined.

ANSWER:

a. The initial investment for Luminaires for the LED lighting was determined by taking the cost of the initial investment of material, labor cost, and the overhead factors. The total initial investments for material and labor cost were the result of complete contract negotiations with the respective CenterPoint Houston vendors, added with the overhead factors after applied accordingly as shown in response COH09-11 (c)and (d).

b. The $18.32 initial investment for the Photovol TAIC Electric Relay (PER) for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

c. The $46.34 initial investment for the Mounting Bracket for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

d. The $20 initial investment for the 100' Span - #4-2C Twist @ $.20/FT for the LED Lighting was determined by the actual cost of the #4-2C Twist at $.20/FT in the test year 2018.

e. The $7.53 initial investment for the Arm Wiring/Splices/Misc. Components for the LED Lighting was determined by the actual costs of the Arm Wiring/Splices/Misc. Components in the test year 2018.

f. The $134.35 initial investment for the Installation Cost (Labor) for the LED Lighting was determined by the total labor required to install the 120 Volt LED luminaire fixture with 100' Span of #4-2C Twist. The total labor cost was determined by the rates designated because of complete contract negotiations with the respective CenterPoint Houston vendor.

g. The Overhead (stores & engineering/construction) cost is included in the initial total investment cost of each LED street light type because the Overhead is added to the purchase price of plant when it is capitalized. The Overhead initial investment cost for LED lighting is the result of applying the Test Year 2018 engineering/construction overhead factor and stores overhead factor to the established Test Year 2018 initial investment material and labor cost for each lamp type accordingly. [Please see response COH09-11 (c) and (d)].

h. The O&M fixture replacement cost $36.64 for LED Lighting was determined using the Test Year 2018 initial investment material cost for LED Photovoltaic Electric Relay ("PER") and applying the estimated number of occurrences (two) which properly reflects the expense to replace an LED PER over the used and useful life of an existing LED installation.

i. The O&M transportation cost consist of the expense associated with the use of a single bucket truck to maintain, repair, replace, and/or install a street light. The transportation cost is the result of the cost of a single bucket truck for one half manhour and applying the estimated number of occurrences (two) that properly reflect the transportation expense over the used and useful life of an existing LED installation.

   Please see response COH09-12 attachment COH09-12 Assumptions for Cost Calculations at tab "Sheet 1" for a detailed explanation of the derivation of the $19.95 transportation cost. It should be noted the Test Year 2018 average transportation cost per lamp type was applied to all street light types, based on the weighted average of the used and useful life of a High-Pressure Sodium and LED lamp, to provide a reasonable and conservative basis of the total transportation cost to service each lamp.

j. The $94.89 Labor Cost/hr for the LED Lighting was determined by complete contract negotiations with the respective CenterPoint Houston vendor.

k. The O&M Replacement labor cost representative the cost of one service employee at one half manhour, and the coordination cost associated with the service dispatch for LED lighting, then applying the estimated number of occurrences (two) to properly reflect the O&M replacement labor expense to repair an LED over the used and useful life of an existing LED installation.

   Due to a formula error in the WP/Streetlight Rate Design the Coordination cost factor should be $0.89 resulting in the O&M replacement labor cost value of 96.67, this will be corrected in the filed ERRATA.

l. The Overhead (Store) cost $6.92 is the result of applying the Stores Overhead factor to the O&M fixture replacement cost to properly reflect the cost of stores. [Please see response COH09-11 (d) for explanation for store overhead rate factor.]

SPONSOR (PREPARER):
Matthew Troxle/Julienne Sugarek (Matthew Troxle, Julienne Sugarek)

RESPONSIVE DOCUMENTS:
None

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

CITY OF HOUSTON
REQUEST NO.: COH09-07

QUESTION:

Please refer to Page 20 of 27 of WP/Streetlight Rate Design and answer the following questions:

a. Please explain in detail how the initial investments for Luminaire for the LED Lighting were determined.
b. Please explain in detail how the $18.32 initial investment for the Photovol TAIC Electric Relay (PER) for the LED Lighting was determined.
c. Please explain in detail how the $75 initial investment for the Mounting Bracket/ARM(8' Arm) for the LED Lighting was determined.
d. Please explain in detail how the $674 initial investment for the 30' Base Plate Type Pole for the LED Lighting was determined.
e. Please explain in detail how the $298.18 initial investment for the Foundation Rebar. Anchor Bolt Kit (SAP 243140) for the LED Lighting was determined.
f. Please explain in detail how the $10.39 initial investment for the Pole Wire/Splices/Misc. Components for the LED Lighting was determined.
g. Please explain in detail how the $33 initial investment for the OH Wire@150' - Source To Pole @.20/FT for the LED Lighting was determined.
h. Please explain in detail how the $876.25 initial investment for the Installation Cost (Labor) for the LED Lighting was determined.
i. Please explain in detail how the initial investments for the Overhead (Stores & Engr.) for the LED Lighting were determined.
j. Please explain in detail how the $36.64 Fixture Replacement Cost for the LED Lighting was determined.
k. Please explain in detail how the $9.98 Transportation Cost for the LED Lighting was determined.
l. Please explain in detail how the $90.48 Labor Cost/hr for the LED Lighting was determined.
m. Please explain in detail how the $104.7 Replacement Cost (Labor) for the LED Lighting was determined.
n. Please explain in detail how the $6.92 Overhead (Store) for the LED Lighting was determined.

ANSWER:

a. The initial investment for Luminaires for the LED lighting was determined by taking the cost of the initial investment of material, labor cost, and the overhead factors. The total initial investments for material and labor cost were the result of complete contract negotiations with the respective CenterPoint Houston vendors, added with the overhead factors after applied accordingly as shown in response COH09-11 (c)and (d).

b. The $18.32 initial investment for the Photovol TAIC Electric Relay (PER) for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

c. The $75 initial investment for the Mounting Bracket/ARM (8' Arm) for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

d. The $674 initial investment for the 30' Base Plate Type Pole for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

e. The $298.18 initial investment for the Foundation Rebar. Anchor Bolt Kit (SAP 243140) for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

f. The $10.39 initial investment for the Pole Wire/Splices/Misc. Components for the LED Lighting was determined by the actual costs of the Pole Wire/Splices/Misc. Components in the test year 2018.

g. The $33 initial investment for the OH Wire@150' -Source to Pole @.20/FT for the LED Lighting was determined by the actual cost of the OH Wire in the test year 2018.

h. The $876.25 initial investment for the Installation Cost (Labor) for the LED Lighting was determined by the total labor required to install the base plate foundation mounted type pole with 150' Span of OH Wire. The total labor cost was determined by the rates designated because of complete contract negotiations with the respective CenterPoint Houston vendor.

i. The Overhead (stores & engineering/construction) cost is included in the initial total investment cost of each LED street light type because the Overhead is added to the purchase price of plant when it is capitalized. The Overhead initial investment cost for LED lighting is the result of applying the Test Year 2018 engineering/construction overhead factor and stores overhead factor to the established Test Year 2018 initial investment material and labor cost for each lamp type accordingly. [Please see response COH09-11 (c) and (d)].

j. The O&M fixture replacement cost $36.64 for LED Lighting was determined using the Test Year 2018 initial investment material cost for LED Photovoltaic Electric Relay ("PER") and applying the estimated number of occurrences (two) which properly reflects the expense to replace an LED PER over the used and useful life of an existing LED installation.

k. The O&M transportation cost consist of the expense associated with the use of a single bucket truck to maintain, repair, replace, and/or install a street light. The transportation cost is the result of the cost of a single bucket truck for one half manhour and applying the estimated number of occurrences (two) that properly reflect the transportation expense over the used and useful life of an existing LED installation.

Please see response COH09-12 attachment COH09-12 Assumptions for Cost Calculations at tab "Sheet 1" for a detailed explanation of the derivation of the $19.95 transportation cost. It should be noted the Test Year 2018 average transportation cost per lamp type was applied to all street light types, based on the weighted average of the used and useful life of a High-Pressure Sodium and LED lamp, to provide a reasonable and conservative basis of the total transportation cost to service each lamp.

Due to a formula error in the WP/Streetlight Rate Design $9.98 transportation cost value should be $19.95, this will be corrected in the filed ERRATA.

l. The $90.48 Labor Cost/hr for the LED Lighting was determined by complete contract negotiations with the respective CenterPoint Houston vendor.

m. The O&M Replacement labor cost representative the cost of one service employee at one half man-hour, and the coordination cost associated with the service dispatch for LED lighting, then applying the estimated number of occurrences (two) to properly reflect the O&M replacement labor expense to repair an LED over the used and useful life of an existing LED installation.

Due to a formula error in the WP/Streetlight Rate Design the Coordination cost factor should be $0.89 resulting in the O&M replacement labor cost value of 92.24, this will be corrected in the filed ERRATA.

n. The Overhead (Store) cost $13.84 is the result of applying the Stores Overhead factor to the O&M fixture replacement cost to properly reflect the cost of stores. [Please see response COH09-11 (d) for explanation for store overhead rate factor.]

SPONSOR (PREPARER):
Matthew Troxle/Julienne Sugarek (Matthew Troxle, Julienne Sugarek)

RESPONSIVE DOCUMENTS:
None

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

CITY OF HOUSTON
REQUEST NO.: COH09-08

QUESTION:

Please refer to Page 22 of 27 of WP/Streetlight Rate Design and answer the following questions:

a. Please explain in detail how the initial investments for Luminaire for the LED Lighting were determined.

b. Please explain in detail how the $36.64 initial investment for the Photovol TAIC Electric Relay (PER) for the LED Lighting was determined.

c. Please explain in detail how the $150.96 initial investment for the Mounting Bracket/ARM(8' Arm) for the LED Lighting was determined.

d. Please explain in detail how the $674 initial investment for the 30' Base Plate Type Pole for the LED Lighting was determined.

e. Please explain in detail how the $298.18 initial investment for the Foundation Rebar. Anchor Bolt Kit (SAP 243140) for the LED Lighting was determined.

f. Please explain in detail how the $12.31 initial investment for the Pole Wire/Splices/Misc. Components for the LED Lighting was determined.

g. Please explain in detail how the $33 initial investment for the OH Wire@150' - Source To Pole @.20/FT for the LED Lighting was determined.

h. Please explain in detail how the $876.25 initial investment for the Installation Cost (Labor) for the LED Lighting was determined.

i. Please explain in detail how the initial investments for the Overhead (Stores & Engr.) for the LED Lighting were determined.

j. Please explain in detail how the $73.28 Fixture Replacement Cost for the LED Lighting was determined.

k. Please explain in detail how the $19.95 Transportation Cost for the LED Lighting was determined.

l. Please explain in detail how the $94.89 Labor Cost/hr for the LED Lighting was determined.

m. Please explain in detail how the $109.13 Replacement Cost (Labor) for the LED Lighting was determined.

n. Please explain in detail how the $13.84 Overhead (Store) for the LED Lighting was determined.

ANSWER:

a. The initial investment for Luminaires for the LED lighting was determined by taking the cost of the initial investment of material, labor cost, and the overhead factors. The total initial investments for material and labor cost were the result of complete contract negotiations with the respective CenterPoint Houston vendors, added with the overhead factors after applied accordingly as shown in response COH09-11 (c)and (d).

b. The $36.64 initial investment for the Photovol TAIC Electric Relay (PER) for the LED Lighting was determined by taking the moving average price (MAP) from the test year 2018 and applying the number of relays required for initial installation (2). The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

c. The $150.96 initial investment for the Mounting Bracket/ARM (8' Arm) for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

d. The $674 initial investment for the 30' Base Plate Type Pole for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

e. The $298.18 initial investment for the Foundation Rebar. Anchor Bolt Kit (SAP 243140) for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

f. The $12.31 initial investment for the Pole Wire/Splices/Misc. Components for the LED Lighting was determined by the actual costs of the Pole Wire/Splices/Misc. Components in the test year 2018.

g. The $33 initial investment for the OH Wire@150' -Source to Pole @.20/FT for the LED Lighting was determined by the actual cost of the OH Wire in the test year 2018.

h. The $876.25 initial investment for the Installation Cost (Labor) for the LED Lighting was determined by the total labor required to install the base plate foundation mounted type pole with 150' Span of OH Wire. The total labor cost was determined by the rates designated because of complete contract negotiations with the respective CenterPoint Houston vendor.

i. The Overhead (stores & engineering/construction) cost is included in the initial total investment cost of each LED street light type because the Overhead is added to the purchase price of plant when it is capitalized. The Overhead initial investment cost for LED lighting is the result of applying the Test Year 2018 engineering/construction overhead factor and stores overhead factor to the established Test Year 2018 initial investment material and labor cost for each lamp type accordingly. [Please see response COH09-11 (c) and (d)].

j. The O&M fixture replacement cost $73.28 for LED Lighting was determined by the Test Year 2018 established initial investment material cost for LED Photovoltaic Electric Relay ("PER") and applying the estimated number of occurrences (two) to properly reflect the expense to replace an LED PER over the used and useful life of an existing LED installation.

k. The O&M transportation cost consist of the expense associated with the use of a single bucket truck to maintain, repair, replace, and/or install a street light. The transportation cost is the result of the cost of a single bucket truck for one half manhour and applying the estimated number of occurrences (two) that properly reflect the transportation expense over the used and useful life of an existing LED installation.

   Please see response COH09-12 attachment COH09-12 Assumptions for Cost Calculations at tab "Sheet 1" for a detailed explanation of the derivation of the $19.95 transportation cost. It should be noted the Test Year 2018 average transportation cost per lamp type was applied to all street light types, based on the weighted average of the used and useful life of a High-Pressure Sodium and LED lamp, to provide a reasonable and conservative basis of the total transportation cost to service each lamp.

l. The $94.89 Labor Cost/hr for the LED Lighting was determined by complete contract

negotiations with the respective CenterPoint Houston vendor.

m. The O&M Replacement labor cost representative the cost of one service employee at one half manhour, and the coordination cost associated with the service dispatch for LED lighting, then applying the estimated number of occurrences (two) to properly reflect the O&M replacement labor expense to repair an LED over the used and useful life of an existing LED installation.

   Due to a formula error in the WP/Streetlight Rate Design the Coordination cost factor should be $0.89 resulting in the O&M replacement labor cost value of 96.67, this will be corrected in the filed ERRATA.

n. The Overhead (Store) cost $13.84 is the result of applying the Stores Overhead factor to the O&M fixture replacement cost to the estimated number of occurrences (two) to properly reflect the expense to replace an LED PER over the used and useful life of an existing LED installation.

SPONSOR (PREPARER):
Matthew Troxle/Julienne Sugarek (Matthew Troxle, Julienne Sugarek)

RESPONSIVE DOCUMENTS:
None

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

CITY OF HOUSTON
REQUEST NO.: COH09-09

QUESTION:

Please refer to Page 24 of 27 of WP/Streetlight Rate Design and answer the following questions:

a. Please explain in detail how the initial investments for Luminaire for the LED Lighting were determined.
b. Please explain in detail how the $18.32 initial investment for the Photovol TAIC Electric Relay (PER) for the LED Lighting was determined.
c. Please explain in detail how the $51 initial investment for the Mounting Bracket/ARM(2') for the LED Lighting was determined.
d. Please explain in detail how the $371 initial investment for the 30' Direct Embedded Pole for the LED Lighting was determined.
e. Please explain in detail how the $29.71 initial investment for the Pole Wire/Splices/Misc. Components for the LED Lighting was determined.
f. Please explain in detail how the $63 initial investment for the UG Wire@150' - Source To Pole @.42/FT for the LED Lighting was determined.
g. Please explain in detail how the $787.97 initial investment for the Installation Cost (Labor) for the LED Lighting was determined.
h. Please explain in detail how the initial investments for the Overhead (Stores & Engr.) for the LED Lighting were determined.
i. Please explain in detail how the $36.64 Fixture Replacement Cost for the LED Lighting was determined.
j. Please explain in detail how the $19.95 Transportation Cost for the LED Lighting was determined.
k. Please explain in detail how the $90.46 Labor Cost/hr for the LED Lighting was determined.
l. Please explain in detail how the $104.70 Replacement Cost (Labor) for the LED Lighting was determined.
m. Please explain in detail how the $6.92 Overhead (Store) for the LED Lighting was determined.

ANSWER:

a. The initial investment for Luminaires for the LED lighting was determined by taking the cost of the initial investment of material, labor cost, and the overhead factors. The total initial investments for material and labor cost were the result of complete contract negotiations with the respective CenterPoint Houston vendors, added with the overhead factors after applied accordingly as shown in response COH09-11 (c)and (d).

b. The $18.32 initial investment for the Photovol TAIC Electric Relay (PER) for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

c. The $51 initial investment for the Mounting Bracket/ARM (2') for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

d. The $371 initial investment for the 30' Direct Embedded Pole for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

e. The $29.71 initial investment for the Pole Wire/Splices/Misc. Components for the LED Lighting was determined by the actual costs of the Pole Wire/Splices/Misc. Components in the test year 2018.

f. The $63 initial investment for the UG Wire@150' - Source to Pole @.42/FT for the LED Lighting was determined by the actual costs of the UG Wire in the test year 2018.

g. The $787.97 initial investment for the Installation Cost (Labor) for the LED Lighting was determined by the total labor required to install a direct embedded pole with 150' of bored underground service conductor. The total labor cost was determined by the rates designated because of complete contract negotiations with the respective CenterPoint Houston vendor.

h. The Overhead (stores & engineering/construction) cost is included in the initial total investment cost of each LED street light type because the Overhead is added to the purchase price of plant when it is capitalized. The Overhead initial investment cost for LED lighting is the result of applying the Test Year 2018 engineering/construction overhead factor and stores overhead factor to the established Test Year 2018 initial investment material and labor cost for each lamp type accordingly. [Please see response COH09-11 (c) and (d)].

i. The O&M fixture replacement cost $36.64 for LED Lighting was determined using the Test Year 2018 initial investment material cost for LED Photovoltaic Electric Relay ("PER") and applying the estimated number of occurrences (two) which properly reflects the expense to replace an LED PER over the used and useful life of an existing LED installation.

j. The O&M transportation cost consist of the expense associated with the use of a single bucket truck to maintain, repair, replace, and/or install a street light. The transportation cost is the result of the cost of a single bucket truck for one half manhour and applying the estimated number of occurrences (two) that properly reflect the transportation expense over the used and useful life of an existing LED installation.

   Please see response COH09-12 attachment COH09-12 Assumptions for Cost Calculations at tab "Sheet 1" for a detailed explanation of the derivation of the $19.95 transportation cost. It should be noted the Test Year 2018 average transportation cost per lamp type was applied to all street light types, based on the weighted average of the used and useful life of a High-Pressure Sodium and LED lamp, to provide a reasonable and conservative basis of the total transportation cost to service each lamp.

k. The $90.46 Labor Cost/hr for the LED Lighting was determined by complete contract negotiations with the respective CenterPoint Houston vendor.

l. The O&M Replacement labor cost representative the cost of one service employee at one half manhour, and the coordination cost associated with the service dispatch for LED lighting, then applying the estimated number of occurrences (two) to properly reflect the O&M replacement labor expense to repair an LED over the used and useful life of an existing LED installation.

   Due to a formula error in the WP/Streetlight Rate Design the Coordination cost factor should be $0.89 resulting in the O&M replacement labor cost value of 92.24, this will be corrected in the filed ERRATA.

m. The Overhead (Store) cost $6.92 is the result of applying the Stores Overhead factor to the O&M fixture replacement cost to properly reflect the cost of stores. [Please see response COH09-11 (d) for explanation for store overhead rate factor.]

SPONSOR (PREPARER):
Matthew Troxle/Julienne Sugarek (Matthew Troxle, Julienne Sugarek)

RESPONSIVE DOCUMENTS:
None

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

CITY OF HOUSTON
REQUEST NO.: COH09-10

QUESTION:

Please refer to Page 26 of 27 of WP/Streetlight Rate Design and answer the following questions:

a. Please explain in detail how the initial investments for Luminaire for the LED Lighting were determined.
b. Please explain in detail how the $36.64 initial investment for the Photovol TAIC Electric Relay (PER) for the LED Lighting was determined.
c. Please explain in detail how the $150.96 initial investment for the Mounting Bracket/ARM(8' Arm) for the LED Lighting was determined.
d. Please explain in detail how the $674 initial investment for the 30' Base Plate Type Pole for the LED Lighting was determined.
e. Please explain in detail how the $373.08 initial investment for the Foundation Rebar. Anchor Bolt Kit (SAP 243140) for the LED Lighting was determined.
f. Please explain in detail how the $37.87 initial investment for the Pole Wire/Splices/Misc. Components for the LED Lighting was determined.
g. Please explain in detail how the $63 initial investment for the UG Wire@150' - Source To Pole @.42/FT for the LED Lighting was determined.
h. Please explain in detail how the $1,067.87 initial investment for the Installation Cost (Labor) for the LED Lighting was determined.
i. Please explain in detail how the initial investments for the Overhead (Stores & Engr.) for the LED Lighting were determined.
j. Please explain in detail how the $73.28 Fixture Replacement Cost for the LED Lighting was determined.
k. Please explain in detail how the $19.95 Transportation Cost for the LED Lighting was determined.
l. Please explain in detail how the $94.89 Labor Cost/hr for the LED Lighting was determined.
m. Please explain in detail how the $109.13 Replacement Cost (Labor) for the LED Lighting was determined.
n. Please explain in detail how the $13.84 Overhead (Store) for the LED Lighting was determined.

ANSWER:

a. The initial investment for Luminaires for the LED lighting was determined by taking the cost of the initial investment of material, labor cost, and the overhead factors. The total initial investments for material and labor cost were the result of complete contract negotiations with the respective CenterPoint Houston vendors, added with the overhead factors after applied accordingly as shown in response COH09-11 (c)and (d).

b. The $36.64 initial investment for the Photovol TAIC Electric Relay (PER) for the LED Lighting was determined by taking the moving average price (MAP) from the test year 2018 and applying the number of relays required for initial installation (2). The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

c. The $150.96 initial investment for the Mounting Bracket/ARM (8' Arm) for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

d. The $674 initial investment for the 30' Base Plate Type Pole for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average

e. The $373.08 initial investment for the Foundation Rebar. Anchor Bolt Kit (Corrected: SAP 243162) for the LED Lighting was determined by the moving average price (MAP) from the test year 2018. The moving average price is determined by taking the average of each individual unit purchase price over the history of the part and averaging them to produce the MAP.

f. The $37.87 initial investment for the Pole Wire/Splices/Misc. Components for the LED Lighting was determined by the actual costs of the Pole Wire/Splices/Misc. Components in the test year 2018.

g. The $63 initial investment for the UG Wire@150' - Source to Pole @.42/FT for the LED Lighting was determined by the actual costs of the UG Wire in the test year 2018.

h. The $1,067.87 initial investment for the Installation Cost (Labor) for the LED Lighting was determined by the total labor required to install the base plate foundation mounted type pole with 150' of bored underground service conductor. The total labor cost was determined by the rates designated because of complete contract negotiations with the respective CenterPoint Houston vendor.

i. The Overhead (stores & engineering/construction) cost is included in the initial total investment cost of each LED street light type because the Overhead is added to the purchase price of plant when it is capitalized. The Overhead initial investment cost for LED lighting is the result of applying the Test Year 2018 engineering/construction overhead factor and stores overhead factor to the established Test Year 2018 initial investment material and labor cost for each lamp type accordingly. [Please see response COH09-11 (c) and (d)].

j. The O&M fixture replacement cost $73.28 for LED Lighting was determined using the Test Year 2018 initial investment material cost for LED Photovoltaic Electric Relay ("PER") and applying the estimated number of occurrences (two) which properly reflects the expense to replace an LED PER over the used and useful life of an existing LED installation.

k. The O&M transportation cost consist of the expense associated with the use of a single bucket truck to maintain, repair, replace, and/or install a street light. The transportation cost is the result of the cost of a single bucket truck for one half manhour and applying the estimated number of occurrences (two) that properly reflect the transportation expense over the used and useful life of an existing LED installation.

Please see response COH09-12 attachment COH09-12 Assumptions for Cost Calculations at tab "Sheet 1" for a detailed explanation of the derivation of the $19.95 transportation cost. It should be noted the Test Year 2018 average transportation cost per lamp type was applied to all street light types, based on the weighted average of the used and useful life of a High-Pressure Sodium and LED lamp, to provide a reasonable and conservative basis of the total transportation cost to service each lamp.

l. The $94.89 Labor Cost/hr for the LED Lighting was determined by complete contract negotiations with the respective CenterPoint Houston vendor.

m. The O&M Replacement labor cost representative the cost of one service employee at one half manhour, and the coordination cost associated with the service dispatch for LED lighting, then applying the estimated number of occurrences (two) to properly reflect the O&M replacement labor expense to repair an LED over the used and useful life of an existing LED installation.

Due to a formula error in the WP/Streetlight Rate Design the Coordination cost factor should be $0.89 resulting in the O&M replacement labor cost value of 96.67, this will be corrected in the filed ERRATA.

n. The Overhead (Store) cost $13.84 is the result of applying the Stores Overhead factor to the O&M fixture replacement cost to properly reflect the cost of stores. [Please see response COH09-11 (d) for explanation for store overhead rate factor.]

SPONSOR (PREPARER):
Matthew Troxle/Julienne Sugarek (Matthew Troxle, Julienne Sugarek)

RESPONSIVE DOCUMENTS:
None

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

CITY OF HOUSTON
REQUEST NO.: COH09-11

QUESTION:

Please refer to Page 19 of 27 of WP/Streetlight Rate Design and answer the following questions:.

a. Please explain in detail how the $19.95 Transportation Costs (Truck w/ Single Bucket) was determined.
b. Please explain in detail how the $7.12 Coordination Cost was determined.
c. Please explain in detail how the 17.29% Engineering/Construction Overhead Rate Factor was determined.
d. Please explain in detail how the 18.88% Store Overhead Rate Factor was determined.

ANSWER:

a. The transportation value $19.95 is the Test Year 2018 average transportation cost per the weighted average life of a lamp. The transportation portion of street lighting O&M cost is the average rate per hour for use of a single bucket truck to maintain, repair, replace, and install a street light. For further details, please see document COH09-12 Assumptions for Cost Calculations response COH09-12.

b. The cost is composed of the Test Year 2018 average administrative labor cost per work order. The labor cost factor per work order should be $0.89, the value will be corrected in an ERRATA. For further details, please see document COH09-12 Assumptions for Cost Calculations response COH09-12.

c. The Engineering/Construction Overhead rate 17.29% was derived from the weighted average percentage over twelve months ending December 2018. For further details, please see document COH09-12 Assumptions for Cost Calculations response COH09-12. It should be noted that the same Engineering/Construction overhead percentage is applied consistently to all street light types.

d. Please see document COH09-12 Stores Overhead 2018 for the analysis used to determine the Stores Overhead Rate Factor. It should be noted that the same stores overhead percentage is applied consistently to all street light types.

SPONSOR (PREPARER):
Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:
None

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

CITY OF HOUSTON
REQUEST NO.: COH10-15

QUESTION:

Provide insurance proceeds for equipment failure, storm damage or other matters by FERC account for each year since 2009 and indicate the portion of total proceeds that have been reflected in the Company's adjusted test year request.

ANSWER:

Please see COH10-15 Insurance Proceeds.xlsx for CenterPoint Houston's insurance proceeds for equipment failure, storm damage or other matters by FERC account for each year since 2009. The $47,665 for the Ulrich Substation will be removed from O&M FERC 9240 in an errata.

SPONSOR (PREPARER):
Kristie Colvin/Robert McRae (Kristie Colvin/Robert McRae)

RESPONSIVE DOCUMENTS:
COH10-15 Insurance Proceeds.xlsx

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

CITY OF HOUSTON
REQUEST NO.: COH16-14

QUESTION:

Regulatory Assets and Liabilities: The Company recorded a liability in FERC account 2540, Reg Liability Pension BRP and Postretirement in the amount of ($68,522,000) and removed ($61,612,000), leaving a balance of ($6,910,000). This balance was described in the Direct Testimony of Kristie L. Colvin as the benefit restoration plan liability. Please describe the $61,612,000 liability that was removed, and provide the test year-end balance for each separate item that was removed.

ANSWER:

As filed in the errata on May 20, 2019, the entire balance of ($68,522,000) was removed from rate base. Please see response to GCCC03-04(b) for a description of why this balance was removed from rate base.

The accrued pension liability balance of ($6,910,000) is being presented as a provision on Schedule II-B-7 in the errata.

SPONSOR (PREPARER):
Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:
None

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

CITY OF HOUSTON
REQUEST NO.: COH16-17

QUESTION:

Regulatory Assets and Liabilities: Please provide an analysis of in FERC account 2540, Reg Liability Pension BRP and Postretirement by month for the test-year showing the beginning balance, the amounts debited and credited to the account and the offsetting entrees to other accounts during the test year, and the ending balance.

ANSWER:

As explained in the response to GCCC03-04, the balance of this Regulatory Liability Pension BRP and Postretirement in FERC account 2540 was eliminated in Schedule II-B-11, line 18 and the nonqualified pension balance of ($6,910,000) was moved to Schedule II-B-7 in the errata filed on May 20, 2019.

SPONSOR (PREPARER):
Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:
None

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

GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC01-07

QUESTION:

Refer to WP-B-10 Adj 3, which adds the 13 month average of $176.268 million in prepaid pension assets to other prepaid items in rate base. Refer also to WP II-E- 3.5.1c at cell row 151, which shows the calculation of ADIT related to this prepaid pension asset adjustment amount using same signs. Refer also to WP II-E-3.5.1a and further to the amount of the asset ADFIT adjustment added for account 283 of $37.016 million and described as "Prepaid Pension Asset Service Company." Finally, refer to Exhibit KLC-09.

a. Please describe how of CEHE's share of each component of the prepaid pension calculation on Exhibit KLC-09 was determined and identify the affiliate described as CNP.
b. Provide the source documents and the calculation of CEHE's share of each line item portrayed on Exhibit KLC-09 for 2017 and 2018 as examples for the various years. Provide annotated copies of the relevant actuarial report pages and balance sheets used in the calculations.
c. Describe which entity and in what manner the $176.268 million in prepaid pension assets is funded. In other words, did CNP fund the prepaid pension asset or did CEHE or some other entity? Provide all support relied on for your response.
d. Indicate whether CEHE was charged by CNP or CenterPoint Energy Service Company for the cost of capital necessary to fund the calculated prepaid pension asset of $176.268. Provide all support relied on for your response.
e. Indicate whether the $370.442 million in unrecognized gains/losses shown on Exhibit KLC-09 is recorded on CNP, CenterPoint Energy Service Company, or CEHE's accounting books. If so, identify the entity and the account wherein it is recorded. If it is reflected in the pension trust fund assets recorded on the accounting books of CNP, please so state. Provide a copy of all support relied on for your response.
f. Explain why the $370.442 million in unrecognized gains/losses shown on Exhibit KLC-09 is not already reflected in the negative $200.073 million net funded/unfunded status. In other words, aren't unrecognized gains/losses included in the trust fund assets used to determine the funding status?
g. Explain why the referenced ADFIT adjustment amount on WP II-E-3.5.1a described as "Prepaid Pension Asset Service Company" is being added as an asset ADFIT amount (Debit to account 283) instead of a liability ADFIT amount (Credit to account 283) if the temporary difference to which it is associated is a prepaid pension asset. If the filing contains an error, please so state.

ANSWER:

a. CenterPoint Houston's share of each component was derived by the actuary. See the actuarial reports as referenced in Schedule II-D-3.8.1. The row entitled "Pension Expense as Included in Rates" represents the amounts of pension expense previously approved by the commission. The affiliate referred to as CNP represents CenterPoint Energy, Inc.

b. Please see schedule II-D-3.8.1 for references to the source documents. Please refer to GCCC01-07 Attachment 1 (confidential) for the annotated copies of the relevant actuarial report pages requested. **The attachment is confidential and is being provided pursuant to the Protective Order issued in Docket No. 49421.**

c. CenterPoint Houston's prepaid pension asset represents the accumulated difference between the Plan contributions made by CenterPoint Energy, Inc. to the plan on behalf of CenterPoint Houston less the pension costs recognized by CenterPoint Houston. The prepaid pension asset at CenterPoint Houston was $170.369 million as of December 31, 2018 per the actuarial report. The $176.268 million is a 13-month (Dec-2017 to Dec-2018) average. Employer contributions to the CenterPoint Energy Retirement plan are funded by CenterPoint Energy, Inc.

d. CenterPoint Houston has made cash contributions to CenterPoint Energy, Inc. for plan funding equal to CenterPoint Houston's pension expense. The prepaid pension asset at CenterPoint Energy, Inc. represents the amount of cash funded by CenterPoint Energy, Inc. to the plan on behalf of CenterPoint Houston in excess of cash it received from CenterPoint Houston through pension expense. Contributions made by the parent to the plan 1) increases the plan assets and 2) generally increases the return on plan assets, both of which reduce the amount of pension expense charged to ratepayers overtime. CenterPoint Energy, Inc. has not charged CenterPoint Houston for the cost of capital necessary to fund the prepaid pension asset. Exhibit KLC-09 attached to Ms. Colvin's direct testimony outlines the expense and contributions to the prepaid pension asset since CenterPoint Houston's last base rate proceeding.

e. The $370.442 million in unrecognized gains/losses represents the impact of accumulative changes in assumptions (i.e. discount rate and mortality), plan design and plan asset performance over the years has had on CenterPoint Houston's plan obligation as of December 31, 2018 that has not yet been reflected in CenterPoint Houston's pension cost. These unrealized gains and losses are recorded on CenterPoint Energy, Inc. in General Ledger accounts 179064 and 298012. The unrecognized gains/losses in accounts 179064 and 298012 will be recognized as a component of the actuarily measured net periodic pension cost in future periods. Under GAAP, pension trust fund assets are not recognized on a company's book. Instead, ASC 715-30-25 requires the recognition of the plan's funded or unfunded status, the difference between the fair market value of the pension trust assets and the plan's projected benefit obligation, as an asset or liability, respectively.

f. The net unfunded status of ($200.073 million) represents CenterPoint Houston's portion of the plan's projected benefit obligation in excess of the fair value of its plan assets as of December 31, 2018 and is reflected as a liability on the balance sheet of CenterPoint Energy, Inc. (GL 259041). Unrecognized gains/losses represent net amounts included in the unfunded status liability on the balance sheet that (1) have not yet been reflected in the actuarily measured net pension cost and thus (2) have not yet been funded by rate payers through pension expense. These amounts may include, but are not limited to, gains or losses on the fair value of plan assets on the measurement date. Any gains or losses on plan assets will increase or decrease the net funded status of the plan on the measurement date, December 31, 2018, and will be deferred by CenterPoint Energy, Inc. as a component of the total accumulated unrealized gains/losses of the plan in accounts 179064 and 298012 until they are recognized through the future period actuarily measured net pension cost.

g. The ADFIT adjustment on WP II-E-3.5.1a was inadvertently included as a deferred tax asset instead of as a deferred tax liability in error and will be corrected in an errata filing.

SPONSOR (PREPARER):
Kristie Colvin / Charles Pringle (Kristie Colvin / Charles Pringle)

RESPONSIVE DOCUMENTS:
GCCC01-07 Attachment 1 (confidential).xlsx

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

OFFICE OF PUBLIC UTILITY COUNSEL
REQUEST NO.: OPC02-01

QUESTION:

Please refer to WP II-B-6 Adj 1 and provide all documents and analysis that support the definite plan for use of each of the assets requested to be recovered in rate base in FERC Account 360.03 and 389.03, including the actual timing of when the assets will be fully used and useful.

ANSWER:

Regarding the assets requested to be recovered in rate base in FERC Account 360.03 and 389.03 as identified in WP II-B-6, the following information is provided:
Account 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. It has been determined that this tract of land will not be used within the next 10 years and should be removed from the assets to be recovered in rate base.
- 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. This tract of land was utilized in the construction Village Creek Substation which was energized in 2017.

Account 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. This tract of land and the one below are being utilized for the Brazoria Service Center, which was completed and occupied in 2018, as well as for a related water retention pond.
- 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. This tract of land is being utilized as described above.

For those tracts of land in Account 360.03 and Account 389.03 that are designated as beyond the ten-year horizon, the Company has not yet determined the in-service dates.

SPONSOR (PREPARER):
Randal Pryor (Randal Pryor)

RESPONSIVE DOCUMENTS:
None

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

OFFICE OF PUBLIC UTILITY COUNSEL
REQUEST NO.: OPC02-03

QUESTION:

Please provide a detailed reconciliation of the Account 1900 Deferred Credits of $106,762 shown on Schedule II-E-3.5.1 to the $171,381 shown on Schedule II-B-7, along with an explanation of the differences.

ANSWER:

In responding to this RFI it was determined that informational Schedules II-E-3.5.1 and II-E-3.5.2 filed in the RFP package have corrupted links. The corrected schedules are being provided with this response. See attached file "OPC02-03 Attachment II-E-3.5 and II-E-3.5.2 Corrected.xlsx" for the corrected schedules.

On the corrected schedules the amount shown in Schedule II-E-3.5.1 for account 1900 is $166,064. The $5,317 difference between the two schedules in account 1900 is due to accumulated deferred state income taxes which are included in II-B-7 but are not included in II-E-3.5.1. This detail of this difference is shown on file RFP Workpapers WP II-E-3.5.1a (see cell L55).

SPONSOR (PREPARER):
Charles Pringle (Charles Pringle)

RESPONSIVE DOCUMENTS:
OPC02-03 Attachment II-E-3.5 and II-E-3.5.2 Corrected.xlsx

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

PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC02-20U

QUESTION:

Payroll
Has the Company included any non-qualified pension payments in its request? If so, please provide by FERC account and identify as Company direct or affiliate allocated. Please provide the amounts expensed as well as the amounts capitalized.

ANSWER:

CenterPoint Houston is providing an update to PUC02-20 to identify the FERC account where capital costs for non-qualified pension is recorded:

Costs incurred in the accounting system (SAP) are first coded to primary cost elements.

In SAP, labor for capital work is billed directly to capital work orders or allocated to capital work orders through construction overhead on secondary cost elements such as Construction Overhead. The components of billed labor, base pay, short-term incentive and *benefits*, are not charged individually utilizing their individual primary cost elements. Consequently each individual component of labor loses its identity as it is coded to the capital work order or in construction overhead.

Once all charges are collected in construction overhead orders, the accounting system allocates overhead charges to each work order based on a percentage of the expenditures charged to that work order in CWIP.

For certain capital work the following are the three stages of cost coding to FERC accounts.

1. While work is being done cost are coded to capital work orders in FERC account 1070 Construction Work in Progress (1070).
2. Once the job is field complete or in use the capital work order moves to FERC account 1060 Construction Complete Not Classified (1060).
3. Once all costs are accumulated on the work order the amount is moved to FERC account 1010 Plant in Service (1010).

Due to the inability to individually track components of labor and the flow of these costs through the stages of capital work the amount can not be specifically assigned to FERC's 1010, 1060, or 1070.

In addition, CenterPoint Houston is updating the amount of estimated affiliate capital included in the adjusted test year to be $19,499 instead of the $18,294 previously reported in PUC02-20. CenterPoint Houston inadvertently included the $18,294 as a known and measurable adjustment to the test year and it will be removed in an errata.

SPONSOR (PREPARER):
Kristie Colvin / Michelle Townsend (Kristie Colvin / Michelle Townsend)

RESPONSIVE DOCUMENTS:
None

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

PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC03-06

QUESTION:

Regulatory Assets and Liabilities
Please provide the adjustments to CenterPoint's request in this docket, by FERC account, that would be required to reflect amortization in rates of all of CenterPoint's unprotected excess ADFIT over a five-year period.

ANSWER:

Please see PUC03-06 Attachment 1. This schedule reflects the amortization over a five-year period based on the corrected Schedule Rider UEDIT that includes the income tax gross-up.

SPONSOR (PREPARER):
Kristie Colvin / Charles Pringle (Kristie Colvin / Charles Pringle)

RESPONSIVE DOCUMENTS:
PUC03-06 Attachment 1.xlsx

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

PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC08-02

QUESTION:

Regulatory Assets and Liabilities

For each regulatory liability, please identify all amounts, by FERC account, included in the Company's request relating to the regulatory liability. Include both the asset and expense amounts by FERC account for each regulatory liability. Please identify the period of amortization for each regulatory liability for which amortization is included in rates in CenterPoint's request.

ANSWER:

Please see Schedule II-B-11 for the amounts of the Pension (the PURA 36.065 deferral) on Line No. 17 and the EDIT Plant on Line No. 24. The Pension BRP and Postretirement on Line No. 18 was removed in the May 20, 2019 errata filing. Please see Schedule II-B-12 for the net Excess Deferred Income Tax (EDIT) amount on Line Nos. 28 and 29. The amortization amount by FERC account for the Pension PURA 36.065 can be found on Schedule E-4.1.1. The amortization period requested is three years.

The protected plant related income tax EDIT regulatory liability is shown on schedule II-B-11 in FERC account 254 on Line No. 24. This balance has a partially offsetting Accumulated Deferred Income Tax (ADIT) balance in FERC 190 shown on WP II-B-11d EDIT excel cell J26. An additional net protected regulatory liability is also shown on schedule II-B-12 in account 182.3 on Line Nos. 28 and 29. The FERC 190 ADIT offset associated with this amount is also shown on WP II-B-11d EDIT in excel cell J41. The amortization associated with protected EDIT is in FERC 411.1 and is shown on Schedule II-E-3.15 on Line No. 82. The amortization period for the protected EDIT regulatory liability is over the regulatory book lives of the underlying assets.

The unprotected EDIT regulatory liabilities in accounts 257034 and 257037 (FERC 254) shown on schedule II-B-11 are adjusted out of the base rate revenue requirement and are being requested to be recovered in Rider UEDIT. See WP Rider UEDIT excel cells B8 and B9 for the balances. The FERC account 190 offsetting deferred tax assets are shown on the same workpaper in excel cells D8 and D9. CenterPoint Houston is proposing to refund the net UEDIT regulatory liability over three years in Rider UEDIT. As this regulatory liability is refunded an expense reduction will occur in FERC 411.1. The total amount of this expense reduction through the life of the rider will be the amounts shown on WP Rider UEDIT in excel cells C8 and C9. Please also note that there is an unprotected EDIT regulatory asset partially offsetting these liabilities on the same workpaper in excel cell B10. Please see GCCC01-06 for the corrected Schedule Rider UEDIT amortization expense.

SPONSOR (PREPARER):
Kristie Colvin / Charles Pringle (Kristie Colvin / Charles Pringle)

RESPONSIVE DOCUMENTS:
None

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

TEXAS COAST UTILITIES COALITION
REQUEST NO.: TCUC01-04

QUESTION:

General Rate of Return Data Requests

Please provide copies of all credit reports for CenterPoint Energy, Inc. and CenterPoint Houston Electric, LLC from the major credit rating agencies (S&P, Moody's, and Fitch) published since January 1, 2016.

ANSWER:

Please see Schedule II-C-2.10 for the 2018 rating agency reports previously provided in our initial rate filing package. Attached are copies of reports for CenterPoint Energy and CenterPoint Energy Houston Electric from S&P, Moody's, and Fitch since Jan. 1, 2016.

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

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

Date	Title	Preparer	Page NO (S)
Undated	TCUC01-04 Fitch CEHE 20160425	McRae	1-10
Undated	TCUC01-04 Fitch CEHE 20160628	McRae	11-13
Undated	TCUC01-04 Fitch CEHE 20170427	McRae	14-23
Undated	TCUC01-04 Fitch CNP 20160127	McRae	24-25
Undated	TCUC01-04 Fitch CNP 20160203	McRae	26-27
Undated	TCUC01-04 Fitch CNP 20160318	McRae	28-33
Undated	TCUC01-04 Fitch CNP 20161021	McRae	34-44
Undated	TCUC01-04 Fitch CNP 20170926	McRae	45-58
Undated	TCUC01-04 Fitch CNP 20171016	McRae	59-72
Undated	TCUC01-04 Fitch CNP 20180905	McRae	73-79
Undated	TCUC01-04 Fitch CNP 20181102	McRae	80-94
Undated	TCUC01-04 Moodys CEHE 20160613	McRae	95-99
Undated	TCUC01-04 Moodys CEHE 20170613	McRae	100-105
Undated	TCUC01-04 Moodys CNP 20160203	McRae	106-107
Undated	TCUC01-04 Moodys CNP 20161017	McRae	108-113
Undated	TCUC01-04 Moodys CNP 20171013	McRae	114-121
Undated	TCUC01-04 SP CEHE 20161221	McRae	122-129
Undated	TCUC01-04 SP CEHE 20171206	McRae	130-137
Undated	TCUC01-04 SP CEHE 20190322	McRae	138-145
Undated	TCUC01-04 SP CNP 20160127	McRae	146-148
Undated	TCUC01-04 SP CNP 20160202	McRae	149-151
Undated	TCUC01-04 SP CNP 20160819	McRae	152-159
Undated	TCUC01-04 SP CNP 20170804	McRae	160-167

Undated	TCUC01-04 SP CNP 20171204	McRae	168-175
Undated	TCUC01-04 SP CNP 20190321	McRae	176-191
Undated	TCUC01-04 Moodys CNP 20161103	McRae	192-196

SPONSOR:
Robert McRae (Robert McRae)

RESPONSIVE DOCUMENTS:

TCUC01-04 Attachment 1 (Confidential)