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SOAH DOCKET NO. 473-19-3864

PUC DOCKET NO. 49421

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

May 30, 2019

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3/20/19

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

**PUBLIC UTILITY COMMISSION OF TEXAS  
REQUEST NO.: PUC11-01**

**QUESTION:**

For the following projects which were reviewed and approved by ERCOT, please indicate the total cost that the company spent for the project and show a comparison to the estimated cost at the time of ERCOT approval. Please identify, by PUC docket number, any CCNs, which were approved by the Commission in association with the project. Additionally, identify all the Monthly Construction Progress Reports that were filed with the Commission that report the completion of the project (either the entire project or each of the total project's component projects) and the final costs associated with these projects. If the project has not yet been completed and the company is not seeking inclusion of any associated costs for the project, then please indicate so.

- a. CNP Mount Belvieu Area Upgrade Project
- b. CNP Freeport Area Upgrade Project
- c. CNP Fort Bend Area Upgrade Project
- d. CNP Katy Area Upgrades
- e. CenterPoint Energy Jones Creek Project
- f. CNP Houston Region Import Capacity Project
- g. CNP Dow-Velasco Project
- h. Houston Import RPG Project
- i. CenterPoint Energy Angleton to Petson to Monsan Ckt 04 Rebuild Project
- j. CenterPoint Energy Southwyck — Algoa Corner Rebuild Project
- k. CenterPoint Energy-Fort Bend to West Columbia 69 kV to 138Kv Circuit 45 Conversion Project
- l. CenterPoint Energy-Freeport Master Plan Project

**ANSWER:**

For these projects that were reviewed and approved by ERCOT, please reference PUC11-01 Attachment 1 page 1 for a table showing the estimated cost at the time of ERCOT approval, the total cost that the company spent for the project, a comparison of the two, and any PUC dockets for CCNs associated with these projects.

For a list of all Monthly Construction Progress Report projects associated with the projects listed above, please refer to PUC11-01 Attachment 1 page 2-4.

**SPONSOR (PREPARER):**

Martin Narendorf (Martin Narendorf)

**RESPONSIVE DOCUMENTS:**

PUC11-01 Attachment 1.xlsx

	Estimate Submitted to ERCOT			Final Actual Cost:			% Difference	CCN Docket
	Transmission	Substation	Total	Transmission	Substation	Total		
a) CNP Mont Belvieu area Upgrade Project	\$ 13,170,000	\$ 28,905,000	\$ 42,075,000	\$ 13,281,971	\$ 27,787,386	\$ 41,069,357	-2.39%	n/a
b) CNP Freeport Area Upgrade Projects	\$ 31,950,000	\$ 15,225,000	\$ 47,175,000	\$ 69,048,973	\$ 18,534,574	\$ 87,583,547	85.66%	n/a
c) CNP Fort Bend Area Upgrade Project	\$ 7,630,000	\$ 9,284,000	\$ 16,914,000	\$ 13,604,891	\$ 7,371,413	\$ 20,976,304	24.02%	n/a
d) CNP Katy Area Upgrades	\$ 7,400,000	\$ 12,967,000	\$ 20,367,000	\$ 13,845,035	\$ 10,779,147	\$ 24,624,182	20.90%	44242 Zenith to Franz
e) CenterPoint Energy Jones Creek Project <sup>1</sup>	\$ 25,650,000	\$ 54,130,000	\$ 79,780,000	\$ 40,743,578	\$ 72,559,354	\$ 113,302,932	42.02%	n/a
f) CNP Houston Region Import Capacity Project <sup>2</sup>			\$ 296,270,000	\$ 284,853,657	\$ 13,617,598	\$ 298,471,255	0.74%	44547 Brazos Valley Connection
g) CNP Dow - Velasco Project	\$ 17,825,000	\$ 1,035,000	\$ 18,860,000	\$ 3,007,291	\$ 16,394,533	\$ 19,401,824	2.87%	n/a
h) Houston Import RPG Project				This project is the same as f) CNP Houston Region Import Capacity Project				
i) CenterPoint Energy Angleton to Petson to Monsan Ckt 04 Rebuild Project	\$ 35,300,000	\$ -	\$ 35,300,000		Project is not yet complete			n/a
j) CenterPoint Energy Southwyck - Algoa Corner Rebuild Project	\$ 20,080,000	\$ -	\$ 20,080,000		Project is not yet complete			n/a
k) CenterPoint Energy - Fort Bend to West Columbia 69kV to 138kV Circuit 45 Conversion Project	\$ 23,700,000	\$ 28,000,000	\$ 51,700,000		Project is not yet complete			n/a
l) CenterPoint Energy - Freeport Master Plan Project <sup>3</sup>		\$214.4 for Bailey to Jones Creek and \$32.3M for Bridge the Gap Upgrades			Project is not yet complete			48629 Bailey to Jones Creek

<sup>1</sup> One Transmission sub-project of the Jones Creek Project has not been finalized, therefore the Company is not seeking inclusion of approximately \$22M of the \$113.3M reported in the table above. Per the Monthly Construction Progress Report, we are 98% complete and there will only be minimal charges, if any, added to this total amount.

<sup>2</sup> \$296,270,000 was the estimated amount for the route approved by the PUC in the CCN process. The ERCOT review of Houston Region Import Capacity Project included the entire project's cost of \$590M and did not breakout CenterPoint's portion of the project.

<sup>3</sup> In December 2018, ERCOT reaffirmed their recommendation for the Bailey to Jones Creek project at an updated estimate of \$48.1M - \$69.5M.

Monthly Construction Progress Report Information					
	Date Filed with PUC-T	Utility's Project Number	Project Name	Location (City/County)	Description
<b>a) CNP Mont Belvieu area Upgrade Project</b>	January 15, 2013	811	Crosby-Mont Belvieu	Mont Belvieu, Chambers, Liberty, Harris	Partial Reconductor and Partial Rebuild of 138 kV Ckt. 86
	June 15, 2013	811.1	Jordan Substation	Mont Belvieu, Chambers	138 kV and 345 kV service to Jordan Substation within one mile of Ckts. 86C, 86D, and 99G
	September 15, 2013	811.2	Crosby Corner-CONNER Corner	Chambers, Harris, Liberty	Modification of 138 kV Ckt. 86D for new conductor testing.

<b>b) CNP Freeport Area Upgrade Projects</b>	June 15, 2013	810	Velasco-SURFSI	Freeport, Brazoria	Rebuild, Reconductor, Bundling, and Upgrade of 69 kV Ckt. 10B to 138 kV
	November 15, 2013	810.1	Velasco-Freeport (Phase 1)	Freeport, Brazoria	Upgrade of 69 kV Ckt. 47B to 138 kV; Rebuild, Bundling and Partial Reconductor of 69 kV Ckt. 47B
	March 14, 2014	810.2	QNTANA-SURFSI (Phase 1)	Freeport, Brazoria	Upgrade of 69 kV Ckt. 47C to 138 kV, Partial Rebuild, Bundling, and Partial Reconductor of 69 kV Ckt. 47C
	March 14, 2014	810.3	Freeport-BRYAN_ (Phase 1)	Freeport, Brazoria	Upgrade of 69 kV Ckt. 47B to 138 kV; Partial Rebuild and Partial Reconductor of 69 kV Ckt. 47B
	May 15, 2014	810.4	Freeport-BRYAN_ (Phase 2)	Freeport, Brazoria	Upgrade of 69 kV Ckt. 47B to 138 kV; Partial Rebuild and Partial Reconductor of 69 kV Ckt. 47B
	August 15, 2014	810.5	QNTANA-SURFSI (Phase 2)	Freeport, Brazoria	Upgrade of 69 kV Ckt. 47C to 138 kV; Partial Rebuild and Partial Reconductor of 69 kV Ckt. 47C
	January 15, 2015	810.6	Velasco-Freeport (Phase 2)	Freeport, Brazoria	Upgrade of 69 kV Ckt. 47B to 138 kV; Rebuild and Reconductor of 69 kV Ckt. 47B

<b>c) CNP Fort Bend Area Upgrade Project</b>	January 15, 2014	853	Fort Bend Upgrade (Flewellen-FOSTER)	Fort Bend	Upgrade of 69 kV Ckt. 49A to 138 kV; Partial Rebuild and Partial Reconductor of 69 kV Ckt. 49A
	February 14, 2014	853.1	Fort Bend Upgrade (Brazos Valley-Fort Bend-Orchard)	Rosenberg, Fort Bend	Partial Rebuild of 138 kV Ckts. 60A and 09G
	March 14, 2014	853.2	Fort Bend Substation	Rosenberg, Fort Bend	69 kV service to Fort Bend Substation within one mile of Ckt. 49B
	July 15, 2014	853.3	Fort Bend-Rosenberg	Rosenberg, Fort Bend	Partial Upgrade of 69 kV Ckt. 49B to 138 kV, Partial Rebuild and Partial Reconductor of 69 kV Ckt. 49A; 138 kV service to Fort Bend Substation within one mile of Ckt. 49B
	July 15, 2014	853.4	Orchard-Rosenberg	Rosenberg, Fort Bend	Partial Upgrade of 69 kV Ckt. 49A to 138 kV; Partial Rebuild and Partial Reconductor of 69 kV Ckt. 49A
	November 15, 2014	853.5	Flewellen-Fort Bend	Fort Bend	Partial Upgrade of 69 kV Ckt. 49A to 138 kV; Partial Reconductor of 69 kV Ckt. 49A; Installation, on an existing transmission line, of an additional 138 kV circuit not previously certificated 138 kV service to Fort Bend Substation within one mile of Ckts. 49A and 09G
	December 15, 2014	853.6	Fort Bend Substation	Rosenberg, Fort Bend	69 kV service to Fort Bend Substation within one mile of Ckt. 49B
	April 15, 2015	853.7	FOSTER Loop	Fort Bend	Installation, on an existing transmission line, of an additional 138 kV circuit not previously certified
	November 15, 2015	853.8	FOSTER Substation	Fort Bend	138 kV Service to FOSTER Substation within one mile of Ckt. 25E
<b>d) CNP Katy Area Upgrades</b>	October 15, 2013	864	Katy-Franz	Katy, Waller, Harris	Partial Reconductor and Partial Rebuild of 138 kV Ckt. 09H
	March 15, 2015	864	138 kV Zenith-Franz Project	Harris	Construct a new single-circuit 138 kV transmission line.

<b>e) CenterPoint Energy Jones Creek Project</b>	April 15, 2016	840	Jones Creek Substation	Freeport, Brazoria	138 kV Service to Jones Creek Substation within one mile of Ckts. 02F, 48F, and 59K; 345 kV Service to Jones Creek Substation within one mile of Ckt. 18A
	August 15, 2016	840.3	SEADOC-Velasco	Brazoria	Partial Rebuild of 138 kV Ckt. 02F
	August 15, 2016	840.7	Freeport-CORTEZ	Freeport, Quintana, Brazoria	Partial Rebuild and Partial Reconductor of 138 kV Ckts 59H, 59I, and 59K
<b>f) CNP Houston Region Import Capacity Project</b>	May 15, 2015	872	Brazos Valley Connection	Houston, Waller, Prairie View, Pine Island, Grimes, Harris, Waller	Construct a new double-circuit 345 kV transmission line
<b>g) CNP Dow - Velasco Project</b>	November 15, 2014	896	Velasco-DOW	Freeport, Brazoria	Partial Reconductor of 138 kV Ckts. 82D, 82E, and 26E; 138 kV service to DOW Substation within one mile of Ckt. 82D
	July 15, 2015	896.1	Velasco-DOW (Phase 2)	Brazoria	Partial Rebuild of 138 kV Ckt. 82D
<b>h) Houston Import RPG Project</b>	This project is the same as f) CNP Houston Region Import Capacity Project				
<b>i) CenterPoint Energy Angleton to Petson to Monsan Ckt 04 Rebuild Project</b>	This project has not yet been completed and the Company is not seeking inclusion of any associated costs for the project				
<b>j) CenterPoint Energy Southwyck - Algoa Corner Rebuild Project</b>	This project has not yet been completed and the Company is not seeking inclusion of any associated costs for the project				
<b>k) CenterPoint Energy - Fort Bend to West Columbia 69kV to 138kV Circuit 45 Conversion Project</b>	This project has not yet been completed and the Company is not seeking inclusion of any associated costs for the project				
<b>l) CenterPoint Energy - Freeport Master Plan Project</b>	This project has not yet been completed and the Company is not seeking inclusion of any associated costs for the project				

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

**PUBLIC UTILITY COMMISSION OF TEXAS  
REQUEST NO.: PUC11-02**

**QUESTION:**

For any projects responsive to Staff 11-1, or their sub-projects, for which the final costs were in excess of the estimated cost at the time of ERCOT approval, please explain, in detail, the reason for the difference in cost.

**ANSWER:**

**b) CNP Freeport Area Upgrade Projects** - Several necessary but impactful scope changes were made throughout the duration of this project that led to additional infrastructure needs and, therefore, increased costs. Unplanned temporary bypass installations were needed to facilitate the replacement of existing angle structures. Due to existing facilities proximity to the federal levee, the Company needed to purchase additional right of way and relocate to the other side of Brazos River. To accommodate continued expansion in the area, the Company identified a need to install tri-bundled conductor as opposed to the single conductor included in the original estimate and increase structure size to support that conductor. The geo-tech and subsurface engineering data, which was not available prior to project approval, required the installation of steel casings for concrete poles and larger pier foundations for steel poles.

**c) CNP Fort Bend Area Upgrade Project** - Please refer to CenterPoint Houston's response to PUC 6-24 b) and c) for discussion of two sub projects included in the Ft. Bend Area Upgrades -- Fort Bend - Rosenberg and Flewellen - Rosenberg.

Additionally, due to the failure of several underream foundations, the Company identified a need to replace several foundations for existing towers in the area.

**d) CNP Katy Area Upgrades** - The expansion of Franz substation required additional 138kV/345kV that was not part of the initial estimated scope. Due to the failure of several underream foundations, the Company identified a need to replace several foundations for existing towers at Katy substation. The replacement of these towers and foundations required additional bypass that was not included in the initial estimate. To accommodate resource constraints, construction crews were demobilized to work on other projects and remobilized at a later date to resume Katy Area Upgrades.

**e) CenterPoint Energy Jones Creek Project** - As area load steadily increased throughout the development of the Jones Creek Project, design modifications were necessary to address common tower design criteria violation as well as the need for an additional auto at the substation. The geo-tech and subsurface engineering data, which was not available prior to project approval, indicated a need for substantially larger foundations than originally estimated. Wetland mitigation requirements also exceeded original estimates. Due to permitting issues, a distribution substation needed to be added to the site and elevated 8' above sea level. Additional permitting issues eliminated the original plans to utilize low water crossings, so the Company constructed two bridges across tidal influence canals. During construction, third party facilities incorrectly installed in our easements halted construction while we coordinated to have them removed.


**SPONSOR (PREPARER):**  
Martin Narendorf (Martin Narendorf)

**RESPONSIVE DOCUMENTS:**  
None



**CERTIFICATE OF SERVICE**

I hereby certify that on this 30<sup>th</sup> 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.

  
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