

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-D-3.8.1 PENSION EXPENSE
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / L. HARKEL-RUMFORD

INDEX

Question 1: Provide the Company's two most recent pension actuarial reports, including the report(s) relied on for the Company's requested pension expense.

| Line No. | Report Name | Report Fiscal Year Coverage | Reference* |
|----------|---|-----------------------------|---|
| 1 | Actuarial Valuation Report, CenterPoint Energy Benefit Restoration Plan | 2018 | CNP BRP AV 2018 (Confidential).pdf |
| 2 | Actuarial Valuation Report, CenterPoint Energy Benefit Restoration Plan | 2017 | CNP BRP AV 2017 (Confidential).pdf |
| 3 | Actuarial Valuation Report, CenterPoint Energy Retirement Plan | 2018 | CNP Retirement AV-2018 (Confidential).pdf |
| 4 | Actuarial Valuation Report, CenterPoint Energy Retirement Plan | 2017 | CNP Retirement AV-2017 (Confidential).pdf |

* Actuarial Valuation Reports are highly sensitive and confidential, and will be made available only after execution of a certification to be bound by the draft protective order set forth in Section VII of this Rate Filing Package or a protective order issued in this docket.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-D-3.8.2 PENSION EXPENSE
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / L. HARKEL-RUMFORD

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Question 2: Provide a reconciliation between the pension cost reflected in the pension actuarial report(s) and the Company's requested pension expense. Provide a narrative explanation of all adjustments, including the application of the expense ratios or percentages. Describe the source(s) of the expense ratios (percentages) and provide the calculations.

Note: The calculation shown below is an example using 518011 Pension Service Costs. All pensions related accounts for both direct and affiliate follow the same steps.

| Line No | Step | Description | Direct Amount | Service Company Amount |
|---------|---------|---------------------------|---------------|------------------------|
| 1 | Step 1 | Actuarial Report | 14,989,000 | 6,520,000 |
| 2 | Step 2a | Capital percentage | 53.69% | 45.71% |
| 3 | Step 2b | Capital | 8,047,037 | 2,980,508 |
| 4 | Step 3 | Net Excluding Capital | 6,941,963 | 2,980,508 |
| 5 | Step 4 | Exclude Other Adjustments | - | (637,159) |
| 6 | Step 5 | Total Requested Expense | 6,941,963 | 3,617,667 |
| 7 | Step 6 | Test Year Amount | 7,690,958 | 1,918,904 |
| 8 | Step 7 | Adjustment to Test Year | (748,995) | 1,698,762 |

9
10 Step 1 - the Company began with the actuarial report noted on II-D-3 8.1 attachment "CNP Retirement AV-2018 (Confidential) pdf". The pension service cost for CEHE is located on page 9 column "Service Cost" and is shown on WP II-D-2 Adj 6.1 in cell C7.

11
12 Step 2 - the pension service cost is then separated into amounts that are estimated to be capitalized and amounts expensed.

13
14 Step 2a - the capitalization percentage of 53.69% is shown on WP II-D-2 Adj 6.1 cell D7 and is calculated on WP II-D-2 Adj 6.2 shown on cell Q91. The Company used the test year benefits capitalization to determine the capitalization percentage.

15
16 Step 2b - WP II-D-2 Adj 6.1 calculates the capitalized pension service cost amount in cell E7.

17
18 Step 3 - the capitalized pension service cost amount is then subtracted from the pension service costs to derive the Company's requested pension service cost expense as shown on WP II-D-2 Adj 6.1 cell F7 before any additional adjustments.

19
20 Step 4 - additional adjustments are excluded. No additional adjustments are shown and the total requested pension service cost expense is shown on WP II-D-2 adj 6.1 cell I7.

21
22 Step 5 - total requested pension service cost expense, net of capital and other adjustments, is shown on WP II-D-2 Adj 6.1 cell I7.

23
24 Step 6 - the test year pension service cost expense in WP II-D-2 adj 6.1 cell K7 sourced from Docket No. 38339.

25
26 Step 7 - the requested pension service cost expense shown on WP II-D-2 Adj 6.1 cell I7 is then compared to the test year pension service cost expense in WP II-D-2 Adj 6.1 cell K7 to determine the adjustment to test year which is shown on WP II-D-2 Adj 6.1 cell L7.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-D-3.8.3 PENSION EXPENSE
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / L. HARKEL-RUMFORD
(THOUSANDS OF DOLLARS)

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Question 3: Provide the pension cost, pension expense, and pension funding payments for each pension plan by FERC account.

| Line No | Year (a) | Description (b) | 1 Regulated T&D Electric (c) | 2 Factor (d) | 3 TRAN (e) | 4 DIST (f) | 5 MET (g) | 6 TDCS (i) | 7 Total (j) |
|---------|----------|---|---------------------------------------|--------------------|------------------|------------------|-----------------|------------------|-------------------|
| 1 | 2019 | | | | | | | | |
| 2 | | Benefit Restoration Plan | | | | | | | |
| 3 | | Pension Cost | 732 | PAYXAG | 145 | 540 | 1 | 46 | 732 |
| 4 | | Pension Expense | 544 | PAYXAG | 108 | 401 | 1 | 34 | 544 |
| 5 | | Pension Funding Payments | 860 | PAYXAG | 170 | 634 | 2 | 54 | 860 |
| 6 | | | | | | | | | |
| 7 | | CenterPoint Energy Retirement Plan | | | | | | | |
| 8 | | Pension Cost | 24,190 | PAYXAG | 4,794 | 17,841 | 46 | 1,510 | 24,190 |
| 9 | | Pension Expense | 20,255 | PAYXAG | 4,014 | 14,939 | 38 | 1,264 | 20,255 |
| 10 | | Pension Funding Payments | 26,855 | PAYXAG | 5,322 | 19,806 | 51 | 1,676 | 26,855 |
| 11 | | | | | | | | | |
| 12 | | Total Plans | | | | | | | |
| 13 | | Pension Cost | 24,922 | PAYXAG | 4,939 | 18,381 | 47 | 1,555 | 24,922 |
| 14 | | Pension Expense | 20,800 | PAYXAG | 4,122 | 15,340 | 39 | 1,298 | 20,800 |
| 15 | | Pension Funding Payments | 27,715 | PAYXAG | 5,493 | 20,441 | 52 | 1,730 | 27,715 |
| 16 | | | | | | | | | |
| 17 | | Benefit Expense - Account 926 | 20,800 | | | | | | |
| 18 | | Non-Operating Deductions - Account 426 | - | | | | | | |
| 19 | | Capitalized - Accounts 107, 108 | 13,595 | | | | | | |
| 20 | | Purchasing & Stores - Account 163 | - | | | | | | |
| 21 | | Deferred Pension Regulatory Asset - Account 182 | (9,473) | | | | | | |
| 22 | | Other | - | | | | | | |
| 23 | | Total Recoverable Pension Cost | 24,922 | | | | | | |
| 24 | | | | | | | | | |
| 25 | | Total Pension Funding Payments - Account 253 | 27,715 | | | | | | |
| 26 | | | | | | | | | |
| 27 | | | | | | | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-D-3.8.3 PENSION EXPENSE
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / L. HARKEL-RUMFORD
(THOUSANDS OF DOLLARS)

INDEX

Question 3: Provide the pension cost, pension expense, and pension funding payments for each pension plan by FERC account.

| Line No | Year (a) | Description (b) | 1 Regulated T&D Electric (c) | 2 Factor (d) | 3 TRAN (e) | 4 DIST (f) | 5 MET (g) | 6 TDCS (i) | 7 Total (j) |
|---------|----------|---|---------------------------------------|--------------------|------------------|------------------|-----------------|------------------|-------------------|
| 28 | 2018 | | | | | | | | |
| 29 | | Benefit Restoration Plan | | | | | | | |
| 30 | | Pension Cost | 615 | PAYXAG | 122 | 454 | 1 | 38 | 615 |
| 31 | | Pension Expense | 544 | PAYXAG | 108 | 401 | 1 | 34 | 544 |
| 32 | | Pension Funding Payments | 860 | PAYXAG | 170 | 634 | 2 | 54 | 860 |
| 33 | | | | | | | | | |
| 34 | | CenterPoint Energy Retirement Plan | | | | | | | |
| 35 | | Pension Cost | 41,372 | PAYXAG | 8,199 | 30,513 | 78 | 2,582 | 41,372 |
| 36 | | Pension Expense | 20,255 | PAYXAG | 4,014 | 14,939 | 38 | 1,264 | 20,255 |
| 37 | | Pension Funding Payments | 17,712 | PAYXAG | 3,510 | 13,063 | 33 | 1,105 | 17,712 |
| 38 | | | | | | | | | |
| 39 | | Total Plans | | | | | | | |
| 40 | | Pension Cost | 41,987 | PAYXAG | 8,321 | 30,967 | 79 | 2,620 | 41,987 |
| 41 | | Pension Expense | 20,800 | PAYXAG | 4,122 | 15,340 | 39 | 1,298 | 20,800 |
| 42 | | Pension Funding Payments | 18,572 | PAYXAG | 3,681 | 13,697 | 35 | 1,159 | 18,572 |
| 43 | | | | | | | | | |
| 44 | | Benefit Expense - Account 926 | 20,800 | | | | | | |
| 45 | | Non-Operating Deductions - Account 426 | - | | | | | | |
| 46 | | Capitalized - Accounts 107, 108 | 23,627 | | | | | | |
| 47 | | Purchasing & Stores - Account 163 | - | | | | | | |
| 48 | | Deferred Pension Regulatory Asset - Account 182 | (2,440) | | | | | | |
| 49 | | Other | - | | | | | | |
| 50 | | Total Recoverable Pension Cost | 41,987 | | | | | | |
| 51 | | | | | | | | | |
| 52 | | Total Pension Funding Payments - Account 253 | 18,572 | | | | | | |

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-D-3.8.4 PENSION EXPENSE
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / L. HARKEL-RUMFORD**

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Question 4: Update required for Question 3 above if actuarial information or actual pension payments change subsequent to test year end.

The Company is not aware of any changes to pension subsequent to adjusted test year.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-D-3.9.1 POSTRETIREMENT BENEFITS OTHER THAN PENSION
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / L. HARKEL-RUMFORD

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Question 1: Provide the Company's two most recent OPEB actuarial reports, including the report(s) relied on for the Company's requested OPEB expense.

| Line No. | Report Name | Report Fiscal Year Coverage | Reference* |
|----------|--|-----------------------------|---|
| 1 | Actuarial Report, ASC 712 Valuation of Certain Postemployment Benefits | 2018 | CNP Postemployment AV 2018 (confidential).pdf |
| 2 | Actuarial Report, ASC 712 Valuation of Certain Postemployment Benefits | 2017 | CNP Postemployment AV 2017 (confidential).pdf |
| 3 | Actuarial Report, Retiree Medical and Life Accounting Valuations | 2018 | CNP Postretirement AV 2018 (confidential).pdf |
| 4 | Actuarial Report, Retiree Medical and Life Accounting Valuations | 2017 | CNP Postretirement AV 2017 (confidential).pdf |

* Actuarial Valuation Reports are highly sensitive and confidential, and will be made available only after execution of a certification to be bound by the draft protective order set forth in Section VII of this Rate Filing Package or a protective order issued in this docket.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-D-3.9.2 POSTRETIREMENT BENEFITS OTHER THAN PENSION
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / L. HARKEL-RUMFORD
(THOUSANDS OF DOLLARS)

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Question 2: Provide a reconciliation between the OPEB cost reflected in the OPEB actuarial report(s) and the Company's requested OPEB expense. Provide a narrative explanation of all adjustments, including the application of the expense ratios or percentages. Describe the source(s) of the expense ratios (percentages) and provide the calculations.

Please see II-D-3.8.2 for the method used to reconcile and describe all pension related requests.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-D-3.9.3 POSTRETIREMENT BENEFITS OTHER THAN PENSION
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / L. HARKEL-RUMFORD
(THOUSANDS OF DOLLARS)

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Question 3: Provide the OPEB cost, OPEB expense, and OPEB funding payments for each pension plan by FERC account.

| Line No | Year (a) | Description (b) | 1 Regulated T&D Electric (c) | 2 Factor (d) | 3 TRAN (e) | 4 DIST (f) | 5 MET (g) | 6 TDCS (i) | 7 Total (j) |
|---------|----------|--|---------------------------------------|--------------------|------------------|------------------|-----------------|------------------|-------------------|
| 1 | 2019 | | | | | | | | |
| 2 | | Retiree Welfare Plan | | | | | | | |
| 3 | | OPEB Cost | 1,575 | PAYXAG | 312 | 1,162 | 3 | 98 | 1,575 |
| 4 | | OPEB Expense | 8,813 | PAYXAG | 1,746 | 6,500 | 17 | 550 | 8,813 |
| 5 | | OPEB Funding Payments | 8,626 | PAYXAG | 1,709 | 6,362 | 16 | 538 | 8,626 |
| 6 | | | | | | | | | |
| 7 | | Post Employment Plan | | | | | | | |
| 8 | | OPEB Cost | 2,245 | PAYXAG | 445 | 1,656 | 4 | 140 | 2,245 |
| 9 | | OPEB Expense | 1,643 | PAYXAG | 326 | 1,212 | 3 | 103 | 1,643 |
| 10 | | OPEB Funding Payments | 2,005 | PAYXAG | 397 | 1,479 | 4 | 125 | 2,005 |
| 11 | | | | | | | | | |
| 12 | | Total Plans | | | | | | | |
| 13 | | Pension Cost | 3,820 | PAYXAG | 757 | 2,817 | 7 | 238 | 3,820 |
| 14 | | Pension Expense | 10,456 | PAYXAG | 2,072 | 7,712 | 20 | 653 | 10,456 |
| 15 | | Pension Funding Payments | 10,631 | PAYXAG | 2,107 | 7,841 | 20 | 663 | 10,631 |
| 16 | | | | | | | | | |
| 17 | | Benefit Expense - Account 926 | 10,456 | | | | | | |
| 18 | | Non-Operating Deductions - Account 426 | - | | | | | | |
| 19 | | Capitalized - Accounts 107, 108 | 2,084 | | | | | | |
| 20 | | Purchasing & Stores - Account 163 | - | | | | | | |
| 21 | | Deferred OPEB Regulatory Asset - Account 182 | (8,720) | | | | | | |
| 22 | | Other | - | | | | | | |
| 23 | | Total Recoverable OPEB Cost | 3,820 | | | | | | |
| 24 | | | | | | | | | |
| 25 | | Total OPEB Funding Payments - Account 253 | 10,631 | | | | | | |
| 26 | | | | | | | | | |
| 27 | | | | | | | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-D-3.9.3 POSTRETIREMENT BENEFITS OTHER THAN PENSION
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / L. HARKEL-RUMFORD
(THOUSANDS OF DOLLARS)

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Question 3: Provide the OPEB cost, OPEB expense, and OPEB funding payments for each pension plan by FERC account

| Line No | Year (a) | Description (b) | 1 Regulated T&D Electric (c) | 2 Factor (d) | 3 TRAN (e) | 4 DIST (f) | 5 MET (g) | 6 TDCS (i) | 7 Total (j) |
|---------|----------|--|---------------------------------------|--------------------|------------------|------------------|-----------------|------------------|-------------------|
| 28 | 2018 | | | | | | | | |
| 29 | | Retiree Welfare Plan | | | | | | | |
| 30 | | OPEB Cost | 2,360 | PAYXAG | 468 | 1,741 | 4 | 147 | 2,360 |
| 31 | | OPEB Expense | 8,813 | PAYXAG | 1,746 | 6,500 | 17 | 550 | 8,813 |
| 32 | | OPEB Funding Payments | 9,522 | PAYXAG | 1,887 | 7,023 | 18 | 594 | 9,522 |
| 33 | | | | | | | | | |
| 34 | | Post Employment Plan | | | | | | | |
| 35 | | OPEB Cost | (1,818) | PAYXAG | (360) | (1,341) | (3) | (113) | (1,818) |
| 36 | | OPEB Expense | 1,643 | PAYXAG | 326 | 1,212 | 3 | 103 | 1,643 |
| 37 | | OPEB Funding Payments | 1,770 | PAYXAG | 351 | 1,305 | 3 | 110 | 1,770 |
| 38 | | | | | | | | | |
| 39 | | Total Plans | | | | | | | |
| 40 | | Pension Cost | 542 | PAYXAG | 107 | 400 | 1 | 34 | 542 |
| 41 | | Pension Expense | 10,456 | PAYXAG | 2,072 | 7,712 | 20 | 653 | 10,456 |
| 42 | | Pension Funding Payments | 11,292 | PAYXAG | 2,238 | 8,328 | 21 | 705 | 11,292 |
| 43 | | | | | | | | | |
| 44 | | Benefit Expense - Account 926 | 10,456 | | | | | | |
| 45 | | Non-Operating Deductions - Account 426 | - | | | | | | |
| 46 | | Capitalized - Accounts 107, 108 | 304 | | | | | | |
| 47 | | Purchasing & Stores - Account 163 | - | | | | | | |
| 48 | | Deferred OPEB Regulatory Asset - Account 182 | (10,220) | | | | | | |
| 49 | | Other | - | | | | | | |
| 50 | | Total Recoverable OPEB Cost | 541 | | | | | | |
| 51 | | | | | | | | | |
| 52 | | Total OPEB Funding Payments - Account 253 | 11,292 | | | | | | |

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-D-3.9.4 POSTRETIREMENT BENEFITS OTHER THAN PENSION
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / L. HARKEL-RUMFORD**

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Question 4: Update required for Question 3 above if actuarial information or actual OPEBs change subsequent to test year end.

The Company is not aware of any changes to OPEB subsequent to adjusted test year.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
TEST YEAR ENDING 12/31/2018

CONFIDENTIAL

Schedule II-D-3.10.1 and Schedule II-D-3.10.2 (list of attachments) – Administration Fees are confidential. A copy of this material will be provided only after execution of a certification to be bound by the draft protective order set forth in Section VII of this Rate Filing Package or a protective order issued in this docket.

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-D-3.10.3 POSTRETIREMENT BENEFITS OTHER THAN PENSION
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / L. HARKEL-RUMFORD**

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Question 3: Update required.

Will update monthly information for 2019.

PUBLIC UTILITY COMMISSION OF TEXAS INDEX
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-D-4 SUMMARY OF EXCLUSIONS FROM TEST YEAR
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN
 (THOUSANDS OF DOLLARS)

| | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|----------|---|-------------------------------|--------------------|---------------------------|------|-------------------------------|---------------------|-------------|-------------|-------------|-------------|--------------|
| Line No. | FERC Account | Description | Reference Schedule | Exclusions from Test Year | FF # | Functionalization Factor Name | Allocation to Texas | TRAN | DIST | MET | TDCS | Total |
| 1 | 9302 | Penalties and Fines | II-D-2.7 | (21) | 3 | DIST | (21) | - | (21) | - | - | (21) |
| 2 | 9302 | Legislative Advocacy | II-D-2.6 | (100) | 7 | TOMXFP(565) | (100) | (16) | (63) | (11) | (11) | (100) |
| 3 | | Other Exclusions [1] | | - | 1 | DA | - | - | - | - | - | - |
| 4 | 9302 | Social/Recreational/Religious | II-D-2.6 | (8) | 12 | PAYXAG | (8) | (2) | (6) | (0) | (0) | (8) |
| 5 | | Political [2] | | - | 1 | DA | - | - | - | - | - | - |
| 6 | | | | | | | | | | | | |
| 7 | TOTAL EXCLUSIONS FROM REPORTING PERIOD | | II-D-4 | (129) | | | (129) | (17) | (90) | (11) | (11) | (129) |

[1] The Company has not identified Other Exclusions

[2] Items included in Below the Line Expenses in Schedule II-E-4.2

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-1 DEPRECIATION & AMORTIZATION EXPENSE
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN

INDEX

(THOUSANDS OF DOLLARS)

| Line No. | FERC Account | Description | Reference Schedule | 1 Total Company | 2 Non-Regulated or Non-Electric | 3 Known and Measurable Changes | 4 Company Total Electric | 5 FF # | 6 Functionalization Factor Name |
|----------|--------------|--|--------------------|--------------------|------------------------------------|-----------------------------------|-----------------------------|-----------|------------------------------------|
| 1 | | Depreciation and Amortization Expense | II-E-1 | | | | | | |
| 2 | | | | | | | | | |
| 3 | | Intangible Plant | II-E-1 | | | | | | |
| 4 | 301 | Organization | | - | - | - | - | 1 | DA |
| 5 | 302 | Franchise and Consents | | - | - | - | - | 1 | DA |
| 6 | 303.01 | Misc Intangible Plant - MF S/W | | - | - | - | - | 1 | DA |
| 7 | 303.02 | Misc Intangible Plant - NMF S/W | | 42,281 | - | (12,631) | 29,650 | 23 | E30302 |
| 8 | | | | | | | | | |
| 9 | | Subtotal | | 42,281 | - | (12,631) | 29,650 | | |
| 10 | | | | | | | | | |
| 11 | | Transmission Plant | II-E-1 | | | | | | |
| 12 | 350.01 | Land and Land Fees | | - | - | - | - | 25 | E35001 |
| 13 | 350.02 | Land and Land Rights | | 1,301 | - | (10) | 1,291 | 26 | E35002 |
| 14 | 352.01 | Structures and Improvements | | 3,021 | - | 182 | 3,203 | 27 | E35201 |
| 15 | 353.01 | Station Equipment | | 20,540 | - | (1,590) | 18,950 | 28 | E35301 |
| 16 | 354.01 | Towers and Fixtures | | 14,507 | - | 2,196 | 16,703 | 29 | E35401 |
| 17 | 355.01 | Poles and Fixtures | | 4,148 | - | (1,100) | 3,048 | 30 | E35501 |
| 18 | 356.01 | O H Conductors & Devices | | 20,064 | - | (796) | 19,268 | 31 | E35601 |
| 19 | 357.01 | Underground Conduit | | 624 | - | 34 | 658 | 32 | E35701 |
| 20 | 358.01 | Underground Conductors | | 361 | - | (15) | 346 | 33 | E35801 |
| 21 | 359.01 | Roads and Trails | | 1,296 | - | 155 | 1,451 | 34 | E35901 |
| 22 | | | | | | | | | |
| 23 | | Subtotal | | 65,862 | - | (944) | 64,918 | | |
| 24 | | | | | | | | | |
| 25 | | Distribution | II-E-1 | | | | | | |
| 26 | 360.01 | Land and Land Fees | | - | - | - | - | 35 | E36001 |
| 27 | 360.02 | Land and Land Rights | | 32 | - | (13) | 19 | 36 | E36002 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-1 DEPRECIATION & AMORTIZATION EXPENSE
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN
(THOUSANDS OF DOLLARS)

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| Line No | FERC Account | Description | Reference Schedule | 1 Total Company | 2 Non-Regulated or Non-Electric | 3 Known and Measurable Changes | 4 Company Total Electric | 5 FF # | 6 Functionalization Factor Name |
|---------|---|--------------------------------------|--------------------|--------------------|------------------------------------|-----------------------------------|-----------------------------|-----------|------------------------------------|
| 28 | 361 01 | Structures and Improvements | | 1,594 | - | 63 | 1,657 | 37 | E36101 |
| 29 | 362 01 | Station Equipment | | 21,573 | - | 3,633 | 25,206 | 38 | E36201 |
| 30 | 364 01 | Poles, Towers & Fixtures | | 23,183 | - | 1,668 | 24,851 | 39 | E36401 |
| 31 | 365 01 | O H. Conductors & Devices | | 26,954 | - | 5,035 | 31,989 | 40 | E36501 |
| 32 | 366 01 | Underground Conduits | | 14,698 | - | (3,363) | 11,335 | 41 | E36601 |
| 33 | 367 01 | U.G. Conductors & Devices | | 33,719 | - | 606 | 34,325 | 42 | E36701 |
| 34 | 368 01 | Line Transformers | | 41,452 | - | 8,732 | 50,184 | 43 | E36801 |
| 35 | 369 01 | Services | | 7,303 | - | 1,583 | 8,886 | 44 | E36901 |
| 36 | 370 01 | Meters | | 3,595 | - | (1,050) | 2,545 | 45 | E37001 |
| 37 | 370.02 | Advanced Meters | | - | - | - | - | 1 | DA |
| 38 | 370 03 | Automated Meters | | 25,431 | - | (22,970) | 2,461 | 46 | E37003 |
| 39 | 371.01 | Install. on Customer Prem (Not Used) | | - | - | - | - | 1 | DA |
| 40 | 373 01 | Street Lighting and Signal Systems | | 20,214 | - | (2,223) | 17,991 | 47 | E37301 |
| 41 | 373 02 | Security Lighting | | 455 | - | 1 | 456 | 47 | E37301 |
| 42 | 374.01 | Security Lighting | | 1 | - | (1) | - | 1 | DA |
| 43 | | | | | | | | | |
| 44 | | | | | | | | | |
| 45 | | Subtotal | | 220,204 | - | (8,299) | 211,905 | | |
| 46 | | | | | | | | | |
| 47 | General Plant | | II-E-1 | | | | | | |
| 48 | 389.01 | Land and Land Fees | | - | - | - | - | 1 | DA |
| 49 | 389 02 | Land and Land Rights | | 3 | - | - | 3 | 50 | E38902 |
| 50 | 390.01 | Structures and Improvements | | 5,271 | - | (970) | 4,301 | 51 | E39001 |
| 51 | 391.01 | A391 Office Furniture | | 483 | - | (95) | 388 | 52 | E39101 |
| 52 | 392.01 | Transportation equipment | | - | - | - | - | 53 | E39201 |
| 53 | 393 01 | Store Equipment | | 16 | - | (1) | 15 | 54 | E39301 |
| 54 | 394 01 | Tools, Shop & Garage Equip | | 779 | - | (49) | 730 | 55 | E39401 |
| 55 | 395 01 | Lab Equip | | 878 | - | (62) | 816 | 56 | E39501 |
| 56 | 396 01 | Power Operated Equipment | | - | - | - | - | 57 | E39601 |
| 57 | 397 01 | Communication Equipment | | 19,570 | - | (4,929) | 14,641 | 58 | E39701 |
| 58 | 397 02 | Computer Equipment | | 19,106 | - | (983) | 18,123 | 59 | E39702 |
| 59 | 398.01 | Misc Equip | | 508 | - | (26) | 482 | 60 | E39801 |
| 60 | | | | | | | | | |
| 61 | | | | | | | | | |
| 62 | | Subtotal | | 46,614 | - | (7,115) | 39,499 | | |
| 63 | | | | | | | | | |
| 64 | TOTAL DEPRECIATION & AMORTIZATION | | II-E-1 | 374,961 | - | (28,989) | 345,972 | | |
| 65 | | | | | | | | | |
| 66 | MISC. OTHER EXPENSES FROM SCHEDULE II-E-4 | | II-E-4 | 3,887 | - | (3,440) | 447 | | |
| 67 | AMORTIZATION FROM SCHEDULE II-E-4.1 | | II-E-4.1 | 23 | - | 12,044 | 12,067 | | |
| 68 | | | | | | | | | |
| 69 | TOTAL DEPRECIATION & AMORTIZATION EXPENSE | | | 378,871 | - | (20,385) | 358,486 | - | - |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-1 DEPRECIATION & AMORTIZATION EXPENSE
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN
(THOUSANDS OF DOLLARS)

INDEX

| Line No | FERC Account | Description | Reference Schedule | 7 Allocation to Texas | 8 TRAN | 9 DIST | 10 MET | 11 TDCS | 12 Total |
|---------|--------------|--|--------------------|--------------------------|---------------|--------------|---------------|--------------|---------------|
| 1 | | Depreciation and Amortization Expense | II-E-1 | | | | | | |
| 2 | | | | | | | | | |
| 3 | | Intangible Plant | II-E-1 | | | | | | |
| 4 | 301 | Organization | | - | - | - | - | - | - |
| 5 | 302 | Franchise and Consents | | - | - | - | - | - | - |
| 6 | 303.01 | Misc Intangible Plant - MF S/W | | - | - | - | - | - | - |
| 7 | 303.02 | Misc Intangible Plant - NMF S/W | | 29,650 | 520 | 9,705 | 11,557 | 7,868 | 29,650 |
| 8 | | | | | | | | | |
| 9 | | Subtotal | | 29,650 | 520 | 9,705 | 11,557 | 7,868 | 29,650 |
| 10 | | | | | | | | | |
| 11 | | Transmission Plant | II-E-1 | | | | | | |
| 12 | 350.01 | Land and Land Fees | | - | - | - | - | - | - |
| 13 | 350.02 | Land and Land Rights | | 1,291 | 1,291 | 0 | - | - | 1,291 |
| 14 | 352.01 | Structures and Improvements | | 3,203 | 3,092 | 111 | - | - | 3,203 |
| 15 | 353.01 | Station Equipment | | 18,950 | 17,470 | 1,480 | - | - | 18,950 |
| 16 | 354.01 | Towers and Fixtures | | 16,703 | 16,703 | - | - | - | 16,703 |
| 17 | 355.01 | Poles and Fixtures | | 3,048 | 3,048 | - | - | - | 3,048 |
| 18 | 356.01 | O H. Conductors & Devices | | 19,268 | 19,268 | - | - | - | 19,268 |
| 19 | 357.01 | Underground Conduit | | 658 | 658 | - | - | - | 658 |
| 20 | 358.01 | Underground Conductors | | 346 | 346 | - | - | - | 346 |
| 21 | 359.01 | Roads and Trails | | 1,451 | 1,451 | - | - | - | 1,451 |
| 22 | | | | | | | | | |
| 23 | | Subtotal | | 64,918 | 63,327 | 1,591 | - | - | 64,918 |
| 24 | | | | | | | | | |
| 25 | | Distribution | II-E-1 | | | | | | |
| 26 | 360.01 | Land and Land Fees | | - | - | - | - | - | - |
| 27 | 360.02 | Land and Land Rights | | 19 | 1 | 18 | - | - | 19 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-1 DEPRECIATION & AMORTIZATION EXPENSE
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | FERC Account | Description | Reference Schedule | 7 Allocation to Texas | 8 TRAN | 9 DIST | 10 MET | 11 TDCS | 12 Total |
|----------|---|---------------------------------------|--------------------|--------------------------|-----------|-----------|-----------|------------|-------------|
| 28 | 361.01 | Structures and Improvements | | 1,657 | 574 | 1,083 | - | - | 1,657 |
| 29 | 362.01 | Station Equipment | | 25,206 | 9,427 | 15,779 | - | - | 25,206 |
| 30 | 364.01 | Poles, Towers & Fixtures | | 24,851 | - | 24,851 | - | - | 24,851 |
| 31 | 365.01 | O H. Conductors & Devices | | 31,989 | - | 31,989 | - | - | 31,989 |
| 32 | 366.01 | Underground Conduits | | 11,335 | - | 11,335 | - | - | 11,335 |
| 33 | 367.01 | U G. Conductors & Devices | | 34,325 | - | 34,325 | - | - | 34,325 |
| 34 | 368.01 | Line Transformers | | 50,184 | - | 50,184 | - | - | 50,184 |
| 35 | 369.01 | Services | | 8,886 | - | 8,886 | - | - | 8,886 |
| 36 | 370.01 | Meters | | 2,545 | - | - | 2,545 | - | 2,545 |
| 37 | 370.02 | Advanced Meters | | - | - | - | - | - | - |
| 38 | 370.03 | Automated Meters | | 2,461 | - | - | 2,461 | - | 2,461 |
| 39 | 371.01 | Install. on Customer Prem. (Not Used) | | - | - | - | - | - | - |
| 40 | 373.01 | Street Lighting and Signal Systems | | 17,991 | - | 17,991 | - | - | 17,991 |
| 41 | 373.02 | Security Lighting | | 456 | - | 456 | - | - | 456 |
| 42 | 374.01 | Security Lighting | | - | - | - | - | - | - |
| 43 | | | | | | | | | |
| 44 | | | | | | | | | |
| 45 | | Subtotal | | 211,905 | 10,002 | 196,897 | 5,006 | - | 211,905 |
| 46 | | | | | | | | | |
| 47 | General Plant | | II-E-1 | | | | | | |
| 48 | 389.01 | Land and Land Fees | | - | - | - | - | - | - |
| 49 | 389.02 | Land and Land Rights | | 3 | 0 | 3 | 0 | 0 | 3 |
| 50 | 390.01 | Structures and Improvements | | 4,301 | 534 | 3,688 | 49 | 30 | 4,301 |
| 51 | 391.01 | A391 Office Furniture | | 388 | 31 | 274 | 3 | 80 | 388 |
| 52 | 392.01 | Transportation equipment | | - | - | - | - | - | - |
| 53 | 393.01 | Store Equipment | | 15 | 4 | 10 | 0 | - | 15 |
| 54 | 394.01 | Tools, Shop & Garage Equip | | 730 | 6 | 716 | 9 | - | 730 |
| 55 | 395.01 | Lab Equip | | 816 | - | 143 | 645 | 28 | 816 |
| 56 | 396.01 | Power Operated Equipment | | - | - | - | - | - | - |
| 57 | 397.01 | Communication Equipment | | 14,641 | 2,933 | 9,252 | 1,042 | 1,414 | 14,641 |
| 58 | 397.02 | Computer Equipment | | 18,123 | 3,367 | 11,936 | 1,197 | 1,624 | 18,123 |
| 59 | 398.01 | Misc Equip | | 482 | 83 | 336 | 3 | 61 | 482 |
| 60 | | | | | | | | | |
| 61 | | | | | | | | | |
| 62 | | Subtotal | | 39,499 | 6,957 | 26,356 | 2,949 | 3,237 | 39,499 |
| 63 | | | | | | | | | |
| 64 | TOTAL DEPRECIATION & AMORTIZATION | | II-E-1 | 345,972 | 80,806 | 234,550 | 19,511 | 11,105 | 345,972 |
| 65 | | | | | | | | | |
| 66 | MISC. OTHER EXPENSES FROM SCHEDULE II-E-4 | | II-E-4 | 447 | 77 | 295 | 30 | 45 | 447 |
| 67 | AMORTIZATION FROM SCHEDULE II-E-4.1 | | II-E-4.1 | 12,067 | (1,308) | 11,513 | 2,893 | (1,032) | 12,067 |
| 68 | | | | | | | | | |
| 69 | TOTAL DEPRECIATION & AMORTIZATION EXPENSE | | | 358,486 | 79,575 | 246,358 | 22,434 | 10,118 | 358,486 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-2 TAXES OTHER THAN FEDERAL INCOME TAXES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / C. PRINGLE / J. HYLAND / M. KIMZEY
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | FERC Account | Description | Reference Schedule | 1 Total Company | 2 Non-Regulated or Non-Electric | 3 Known and Measurable Changes | 4 Company Total Electric | 5 FF # | 6 Functionalization Factor Name | 7 Allocation to Texas | 8 TRAN | 9 DIST | 10 MET | 11 TDCS | 12 Total |
|----------|--------------|--|--------------------|--------------------|------------------------------------|-----------------------------------|-----------------------------|-----------|------------------------------------|--------------------------|---------------|----------------|--------------|--------------|----------------|
| 1 | | Taxes Other than Income Taxes | II-E-2 | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | | | |
| 3 | | Payroll-Related | II-E-2 | | | | | | | | | | | | |
| 4 | 4081 | FICA | | 11,403 | - | (108) | 11,295 | 12 | PAYXAG | 11,295 | 2,238 | 8,330 | 21 | 705 | 11,295 |
| 5 | 4081 | FUTA | | 310 | - | - | 310 | 12 | PAYXAG | 310 | 61 | 229 | 1 | 19 | 310 |
| 6 | | | | | | | | | | | | | | | |
| 7 | | Total Federal | | 11,713 | - | (108) | 11,605 | | | 11,605 | 2,300 | 8,559 | 22 | 724 | 11,605 |
| 8 | | | | | | | | | | | | | | | |
| 9 | | Property Related | II-E-2 | | | | | | | | | | | | |
| 10 | 4081 | Ad Valorem Tax | | 88,144 | - | 6,250 | 94,394 | 1 | DA | 94,394 | 33,566 | 56,932 | 3,305 | 591 | 94,394 |
| 11 | | | | | | | | | | | | | | | |
| 12 | | Total Property | | 88,144 | - | 6,250 | 94,394 | | | 94,394 | 33,566 | 56,932 | 3,305 | 591 | 94,394 |
| 13 | | | | | | | | | | | | | | | |
| 14 | | Other | II-E-2 | | | | | | | | | | | | |
| 15 | 4081 | Sales & Use Tax | | 175 | - | (175) | - | 1 | DA | - | - | - | - | - | - |
| 16 | | | | | | | | | | | | | | | |
| 17 | | Total Non-Revenue Related | | 100,032 | - | 5,967 | 105,999 | | | 105,999 | 35,866 | 65,491 | 3,327 | 1,315 | 105,999 |
| 18 | | | | | | | | | | | | | | | |
| 19 | | Revenue Related | II-E-2 | | | | | | | | | | | | |
| 20 | 4081 | Texas Gross Margin Tax* | | 18,414 | - | 1,613 | 20,027 | 6 | TOTREV | 20,027 | 8,258 | 10,355 | 711 | 704 | 20,027 |
| 21 | 4081 | Municipal Franchise Fees | | 150,772 | - | 2,473 | 153,245 | 3 | DIST | 153,245 | - | 153,245 | - | - | 153,245 |
| 22 | 4081 | Deferred SIT/Local | | (327) | - | - | (327) | 6 | TOTREV | (327) | (135) | (169) | (12) | (11) | (327) |
| 23 | | Total Revenue Related | | 168,859 | - | 4,086 | 172,945 | | | 172,945 | 8,123 | 163,431 | 699 | 692 | 172,945 |
| 24 | | | | | | | | | | | | | | | |
| 25 | | TOTAL TAXES OTHER THAN INCOME TAXES | II-E-2 | 268,891 | - | 10,053 | 278,944 | | | 278,944 | 43,989 | 228,922 | 4,026 | 2,007 | 278,944 |

* The Texas Margin Tax return can be found on WP II-E-2a.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
TEST YEAR ENDING 12/31/2018

CONFIDENTIAL

Schedule II-E-2 Note 2 (Direct) – Taxes Other Than Federal Income Taxes is confidential. A copy of this material will be provided only after execution of a certification to be bound by the draft protective order set forth in Section VII of this Rate Filing Package or a protective order issued in this docket.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-2a TAXES ON INCENTIVE COMPENSATION
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / M. TOWNSEND
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | FERC Account | Description | 1 | 2 | 3 |
|-------------|-----------------|--|------------------------------------|-----------------------------|-----------|
| | | | FICA on STI Social Security Tax | FICA on STI Medicare Tax | Total Tax |
| 1 | | <u>Taxes Other than Income Taxes - Note 2</u> | | | |
| 2 | | To the extent taxes other than income taxes apply to incentive compensation payments, those amounts shall be separately identified by tax type, directly incurred, and allocated by affiliate. | | | |
| 3 | | | | | |
| 4 | | Payroll-Related Direct | | | |
| 5 | 4081 | FICA on Short Term Incentive (STI) | 721 | 241 | 962 |
| 6 | | | | | |
| 7 | | Payroll-Related Affiliate* | | | |
| 8 | Various | FICA on Short Term Incentive (STI) | 633 | 148 | 781 |

* Source WP V-K-6.7

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-2.1 AD VALOREM TAXES & PLANT BALANCES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: J. HYLAND

INDEX

(THOUSANDS OF DOLLARS)

| Line No. | Tax Year | 1 Beginning Book Plant Balance | 2 Taxable Value of Plant Subject to Ad Valorem Tax | 3 Ad Valorem Tax Expense ⁽¹⁾ | 4 FERC Account | 5 Total Taxes Paid in Calendar Year ** | 6 Effective Tax Rate |
|----------|--|--------------------------------------|---|--|----------------------|---|----------------------------|
| | | (A) | (B) | (C) | | (D) | |
| 1 | 2018 Property Taxes Assessed | 10,803,501 | 3,401,544 | 88,554 | 4081 | 83,360 | 2.60% |
| 2 | | | | | | | |
| 3 | 2017 Property Taxes Assessed | 10,189,011 | 3,207,983 | 83,792 | 4081 | 82,188 | 2.61% |
| 4 | | | | | | | |
| 5 | 2016 Property Taxes Assessed | 9,565,885 | 3,165,046 | 81,896 | 4081 | 75,563 | 2.59% |
| 6 | | | | | | | |
| 7 | 2015 Property Taxes Assessed | 8,768,517 | 2,949,729 | 74,862 | 4081 | 74,976 | 2.54% |
| 8 | | | | | | | |
| 9 | | | | | | | |
| 10 | ⁽¹⁾ From WP II-E-2.1a | | | | | | |
| 11 | ⁽²⁾ Taxes functionalized based upon 2018 functionalization percentages | | | | | | |
| 12 | * Ad Valorem tax expense and taxable value excludes non-utility plant and prior period adjustments. | | | | | | |
| 13 | ** All ad valorem taxes are paid to jurisdictions within the state of Texas. \$87,932,646 of base property tax was paid in January & February 2019, subsequent to the test year end, for the 2018 tax year. | | | | | | |
| 14 | | | | | | | |
| 15 | Notes: | | | | | | |
| 16 | 1. Company CWIP is not subject to ad valorem. Tax is not assessed nor paid on CWIP balances at the end of each year. The above amount includes \$116,205 in taxes related to partially completed transmission lines. | | | | | | |
| 17 | 2. All ad valorem taxes are expensed. None are capitalized. | | | | | | |
| 18 | 3. The Company does not pay property taxes on plant leased to others, if any. | | | | | | |
| 19 | 4. The Company does not have any ad valorem taxes on investment deemed imprudent by the commission | | | | | | |
| 20 | 5. The Company does not have any ad valorem taxes on property which is not used and useful. | | | | | | |

| | |
|--|--------------|
| PUBLIC UTILITY COMMISSION OF TEXAS CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC II-E-2.1 AD VALOREM TAXES & PLANT BALANCES TEST YEAR ENDED 12/31/2018 DOCKET NO. 49421 SPONSOR: J. HYLAND (THOUSANDS OF DOLLARS) | <u>INDEX</u> |
|--|--------------|

| | | 1 | 2 | 3 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|----------|--|------------------------------|--|---------------------------------------|------|-------------------------------|-------------------|-------------------|------------------|-------------------|--------|
| Line No. | Tax Year | Beginning Book Plant Balance | Taxable Value of Plant Subject to Ad Valorem Tax | Ad Valorem Tax Expense ⁽¹⁾ | FF # | Functionalization Factor Name | TRAN ² | DIST ² | MET ² | TDCS ² | Total |
| | | (A) | (B) | (C) | | | | | | | |
| 1 | 2018 Property Taxes Assessed | 10,803,501 | 3,401,544 | 88,554 | 1 | DA | 31,489 | 53,410 | 3,101 | 554 | 88,554 |
| 2 | | | | | | | | | | | |
| 3 | 2017 Property Taxes Assessed | 10,189,011 | 3,207,983 | 83,792 | 1 | DA | 29,796 | 50,538 | 2,934 | 524 | 83,792 |
| 4 | | | | | | | | | | | |
| 5 | 2016 Property Taxes Assessed | 9,565,885 | 3,165,046 | 81,896 | 1 | DA | 29,122 | 49,394 | 2,867 | 513 | 81,896 |
| 6 | | | | | | | | | | | |
| 7 | 2015 Property Taxes Assessed | 8,768,517 | 2,949,729 | 74,862 | 1 | DA | 26,621 | 45,152 | 2,621 | 468 | 74,862 |
| 8 | | | | | | | | | | | |
| 9 | | | | | | | | | | | |
| 10 | ⁽¹⁾ From WP II-E-2.1a | | | | | | | | | | |
| 11 | ⁽²⁾ Taxes functionalized based upon 2018 functionalization percentages | | | | | | | | | | |
| 12 | * Ad Valorem tax expense and taxable value excludes non-utility plant and prior period adjustments. | | | | | | | | | | |
| 13 | ** All ad valorem taxes are paid to jurisdictions within the state of Texas. \$87,932,646 of base property tax was paid in January & February 2019, subsequent to the test year end, for the 2018 tax year. | | | | | | | | | | |
| 14 | | | | | | | | | | | |
| 15 | Notes: | | | | | | | | | | |
| 16 | 1. Company CWIP is not subject to ad valorem. Tax is not assessed nor paid on CWIP balances at the end of each year. The above amount includes \$116,205 in taxes related to partially completed transmission lines. | | | | | | | | | | |
| 17 | 2. All ad valorem taxes are expensed. None are capitalized. | | | | | | | | | | |
| 18 | 3. The Company does not pay property taxes on plant leased to others, if any. | | | | | | | | | | |
| 19 | 4. The Company does not have any ad valorem taxes on investment deemed imprudent by the commission | | | | | | | | | | |
| 20 | 5. The Company does not have any ad valorem taxes on property which is not used and useful. | | | | | | | | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-2.1.4 MONTHLY AD VALOREM TAXES & PLANT BALANCES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: J. HYLAND
(THOUSANDS OF DOLLARS)

INDEX

| | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|----------|--------------|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Line No. | FERC Account | Description | January | February | March | April | May | June | July | August |
| 1 | | <u>Property Tax Expense</u> | | | | | | | | |
| 2 | 4081 | Property Tax | 7,742 | 7,742 | 7,742 | 7,742 | 7,742 | 6,342 | 7,742 | 7,275 |
| 3 | | | | | | | | | | |
| 4 | | <u>Property Tax Total</u> | <u>7,742</u> | <u>7,742</u> | <u>7,742</u> | <u>7,742</u> | <u>7,742</u> | <u>6,342</u> | <u>7,742</u> | <u>7,275</u> |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-2.1.4 MONTHLY AD VALOREM TAXES & PLANT BALANCES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: J. HYLAND

| | | | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
|----------|--------------|-----------------------------|--------------|--------------|--------------|--------------|---------------|-------------------------------|------------------------------|------------------------|
| Line No. | FERC Account | Description | September | October | November | December | Total Company | Non-Regulated or Non-Electric | Known and Measurable Changes | Company Total Electric |
| 1 | | <u>Property Tax Expense</u> | | | | | | | | |
| 2 | 4081 | Property Tax | 6,516 | 7,442 | 7,442 | 6,678 | 88,147 | - | - | 88,147 |
| 3 | | | | | | | | | | |
| 4 | | <u>Property Tax Total</u> | <u>6,516</u> | <u>7,442</u> | <u>7,442</u> | <u>6,678</u> | <u>88,147</u> | <u>-</u> | <u>-</u> | <u>88,147</u> |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3 FEDERAL INCOME TAXES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | Description | Reference Schedule | 1 Total Company | 2 Non-Regulated or Non-Electric | 3 Known and Measurable Changes | 4 Company Total Electric | 5 FF # | 6 Functionalization Factor Name |
|----------|---|--------------------|--------------------|------------------------------------|-----------------------------------|-----------------------------|-----------|------------------------------------|
| 1 | II-E-3 | | | | | | | |
| 2 | | | | | | | | |
| 3 | Return on Rate Base | Calculated | 476,260 | | (2,174) | 474,086 | 1 | DA |
| 4 | | | | | | | | |
| 5 | Deductions: | | | | | | | |
| 6 | Synchronized Interest | Calculated | (141,138) | - | 644 | (140,494) | 20 | TRTBSE |
| 7 | Amortization of Protected Excess DFIT | | - | - | (18,659) | (18,659) | 21 | GPLT |
| 8 | Amortization of Non-protected Excess DFIT | | (8,845) | - | 8,845 | - | 21 | GPLT |
| 9 | Research & Development Credit | | (2,854) | - | 1,586 | (1,268) | 21 | GPLT |
| 10 | Medicare Drug Subsidy | | (1,624) | - | 1,624 | - | 1 | DA |
| 11 | AFUDC Equity | | (10,406) | - | 10,406 | - | 1 | DA |
| 12 | Restricted Stock Excess Tax Benefit | | (56) | - | - | (56) | 12 | PAYXAG |
| 13 | | | | | | | | |
| 14 | Subtotal | | (164,922) | - | 4,445 | (160,477) | | |
| 15 | | | | | | | | |
| 16 | Additions: | | | | | | | |
| 17 | Non-deductible Club Dues | | 9 | - | (9) | - | 1 | DA |
| 18 | Non-deductible Parking and Transit | | 114 | - | - | 114 | 12 | PAYXAG |
| 19 | Non-deductible Lobbying Expenses | | 2,616 | - | (2,616) | - | 1 | DA |
| 20 | Meals & Entertainment | | 579 | - | - | 579 | 12 | PAYXAG |
| 21 | Fines & Penalties | | 40 | - | (40) | - | 1 | DA |
| 22 | Diesel Fuel Credit Disallowance | | 3 | - | - | 3 | 21 | GPLT |
| 23 | Permanent Depreciation Difference | | 4,728 | - | (364) | 4,364 | 21 | GPLT |
| 24 | Medicare Drug Subsidy | | - | - | 8,744 | 8,744 | 12 | PAYXAG |
| 25 | | | | | | | | |
| 26 | Subtotal | | 8,090 | - | 5,714 | 13,804 | | |
| 27 | | | | | | | | |
| 28 | Taxable Component of Return | | 319,427 | - | 7,986 | 327,413 | | |
| 29 | | | | | | | | |
| 30 | Tax Factor [(1/(1 - 21))-1] | | 26.58% | 26.58% | 26.58% | 26.58% | | |
| 31 | | | | | | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3 FEDERAL INCOME TAXES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | Description | Reference Schedule | 7 Allocation to Texas | 8 TRAN | 9 DIST | 10 MET | 12 TDCS | 13 Total |
|----------|---|--------------------|--------------------------|-----------|-----------|-----------|------------|-------------|
| 1 | II-E-3 | | | | | | | |
| 2 | | | | | | | | |
| 3 | Return on Rate Base | Calculated | 474,086 | 173,889 | 283,078 | 11,742 | 5,377 | 474,086 |
| 4 | | | | | | | | |
| 5 | Deductions: | | | | | | | |
| 6 | Synchronized Interest | Calculated | (140,494) | (51,531) | (83,889) | (3,480) | (1,593) | (140,494) |
| 7 | Amortization of Protected Excess DFIT | | (18,659) | (5,936) | (11,935) | (565) | (223) | (18,659) |
| 8 | Amortization of Non-protected Excess DFIT | | - | - | - | - | - | - |
| 9 | Research & Development Credit | | (1,268) | (404) | (811) | (38) | (15) | (1,268) |
| 10 | Medicare Drug Subsidy | | - | - | - | - | - | - |
| 11 | AFUDC Equity | | - | - | - | - | - | - |
| 12 | Restricted Stock Excess Tax Benefit | | (56) | (11) | (41) | (0) | (3) | (56) |
| 13 | | | | | | | | |
| 14 | Subtotal | | (160,477) | (57,882) | (96,677) | (4,083) | (1,835) | (160,477) |
| 15 | | | | | | | | |
| 16 | Additions: | | | | | | | |
| 17 | Non-deductible Club Dues | | - | - | - | - | - | - |
| 18 | Non-deductible Parking and Transit | | 114 | 23 | 84 | 0 | 7 | 114 |
| 19 | Non-deductible Lobbying Expenses | | - | - | - | - | - | - |
| 20 | Meals & Entertainment | | 579 | 115 | 427 | 1 | 36 | 579 |
| 21 | Fines & Penalties | | - | - | - | - | - | - |
| 22 | Diesel Fuel Credit Disallowance | | 3 | 1 | 2 | 0 | 0 | 3 |
| 23 | Permanent Depreciation Difference | | 4,364 | 1,388 | 2,791 | 132 | 52 | 4,364 |
| 24 | Medicare Drug Subsidy | | 8,744 | 1,733 | 6,449 | 16 | 546 | 8,744 |
| 25 | | | | | | | | |
| 26 | Subtotal | | 13,804 | 3,260 | 9,753 | 150 | 641 | 13,804 |
| 27 | | | | | | | | |
| 28 | Taxable Component of Return | | 327,413 | 119,267 | 196,155 | 7,809 | 4,183 | 327,413 |
| 29 | | | | | | | | |
| 30 | Tax Factor [(1/(1-.21))-1] | | 26.58% | 26.58% | 26.58% | 26.58% | 26.58% | 26.58% |
| 31 | | | | | | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3 FEDERAL INCOME TAXES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | Description | Reference Schedule | 1 Total Company | 2 Non-Regulated or Non-Electric | 3 Known and Measurable Changes | 4 Company Total Electric | 5 FF # | 6 Functionalization Factor Name |
|----------|--|--------------------|--------------------|------------------------------------|-----------------------------------|-----------------------------|-----------|------------------------------------|
| 32 | Federal Income Taxes Before Adjust. | | 84,911 | - | 2,123 | 87,034 | | |
| 33 | | | | | | | | |
| 34 | Tax Credits: | | | | | | | |
| 35 | Amortization of Protected Excess DFIT | | - | - | (18,659) | (18,659) | 21 | GPLT |
| 36 | Amortization of Non-protected Excess DFIT | | (8,845) | - | 8,845 | - | 21 | GPLT |
| 37 | Research & Development Credit | | (2,854) | - | 1,586 | (1,268) | 21 | GPLT |
| 38 | Medicare Drug Subsidy | | (1,624) | - | 10,368 | 8,744 | 12 | PAYXAG |
| 39 | Restricted Stock Excess Tax Benefit | | (56) | - | - | (56) | 12 | PAYXAG |
| 40 | | | | | | | | |
| 41 | Subtotal | | (13,379) | - | 2,139 | (11,239) | | |
| 42 | | | | | | | | |
| 43 | II-E-3 | | 71,533 | - | 4,262 | 75,794 | - | - |

| | | | | | | | |
|--|----------|-----------|--|----------|-----------|---|----|
| Total Invested Capital (Adjusted Historical) | | 6,444,652 | | (29,416) | 6,415,236 | 1 | DA |
| Weighted Cost of Debt | | 2.19% | | | 2.19% | | |
| Interest Expense | To above | 141,138 | | (644) | 140,494 | | |
| Total Invested Capital (Adjusted Historical) | | 6,444,652 | | (29,416) | 6,415,236 | 1 | DA |
| Weighted Cost of Capital | | 7.39% | | | 7.39% | | |
| Total Return | To above | 476,260 | | (2,174) | 474,086 | | |

| | |
|----------------------------|---------|
| Total Return | 474,086 |
| Interest Expense | 140,494 |
| Tax Expense | 75,794 |
| Net Book Income Before Tax | 409,387 |
| | 409,387 |
| | (0) |

To II-E-3 15

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3 FEDERAL INCOME TAXES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

| Line No | Description | Reference Schedule | 7 Allocation to Texas | 8 TRAN | 9 DIST | 10 MET | 12 TDCS | 13 Total |
|---------|--|--------------------|--------------------------|----------------|----------------|--------------|--------------|-----------------|
| 32 | Federal Income Taxes Before Adjust. | | 87,034 | 31,704 | 52,142 | 2,076 | 1,112 | 87,034 |
| 33 | | | | | | | | |
| 34 | Tax Credits: | | | | | | | |
| 35 | Amortization of Protected Excess DFIT | | (18,659) | (5,936) | (11,935) | (565) | (223) | (18,659) |
| 36 | Amortization of Non-protected Excess DFIT | | - | - | - | - | - | - |
| 37 | Research & Development Credit | | (1,268) | (404) | (811) | (38) | (15) | (1,268) |
| 38 | Medicare Drug Subsidy | | 8,744 | 1,733 | 6,449 | 16 | 546 | 8,744 |
| 39 | Restricted Stock Excess Tax Benefit | | (56) | (11) | (41) | (0) | (3) | (56) |
| 40 | | | | | | | | |
| 41 | Subtotal | | (11,239) | (4,618) | (6,339) | (587) | 304 | (11,239) |
| 42 | | | | | | | | |
| 43 | II-E-3 | | 75,794 | 27,086 | 45,804 | 1,489 | 1,416 | 75,794 |

| | | | | | | | |
|--|----------|-----------|-----------|-----------|---------|--------|-----------|
| Total Invested Capital (Adjusted Historical) | | 6,415,236 | 2,353,034 | 3,830,557 | 158,887 | 72,758 | 6,415,236 |
| Weighted Cost of Debt | | 2.19% | 2.19% | 2.19% | 2.19% | 2.19% | |
| Interest Expense | To above | 140,494 | 51,531 | 83,889 | 3,480 | 1,593 | 140,494 |
| Total Invested Capital (Adjusted Historical) | | 6,415,236 | 2,353,034 | 3,830,557 | 158,887 | 72,758 | 6,415,236 |
| Weighted Cost of Capital | | 7.39% | 7.39% | 7.39% | 7.39% | 7.39% | |
| Total Return | To above | 474,086 | 173,889 | 283,078 | 11,742 | 5,377 | 474,086 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3 FEDERAL INCOME TAXES (ATTACHMENT)
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | FEDERAL INCOME TAXES | |
|-------------|---|---------------------|
| | TAX METHOD 1 | |
| | Test Period | Total Requested |
| 1 | | |
| 2 | Return on Rate Base | 476,260 474,086 |
| 3 | | |
| 4 | Deduct: | |
| 5 | Interest | (141,138) (140,494) |
| 6 | Amortization of DFIT (Excess) | - (18,659) |
| 7 | Amortization of Non-protected Excess DFIT | (8,845) - |
| 8 | Research & Development Credit | (2,854) (1,268) |
| 9 | Medicare Drug Subsidy | (1,624) - |
| 10 | AFUDC Equity | (10,406) - |
| 11 | Restricted Stock Excess Tax Benefit | (56) (56) |
| 12 | | |
| 13 | Add: | |
| 14 | Non-deductible Club Dues | 9 - |
| 15 | Non-deductible Parking and Transit | 114 114 |
| 16 | Non-deductible Lobbying Expenses | 2,616 - |
| 17 | Meals & Entertainment | 579 579 |
| 18 | Fines & Penalties | 40 - |
| 19 | Diesel Fuel Credit Disallowance | 3 3 |
| 20 | Permanent Depreciation Difference | 4,728 4,364 |
| 21 | Medicare Drug Subsidy | - 8,744 |
| 22 | | |
| 23 | Taxable Component of Return | 319,427 327,413 |
| 24 | | |
| 25 | Tax Factor (1/.79)(.21) | 26.58% 26.58% |
| 26 | | |
| 27 | Total Federal Income Taxes Before Adjustments | 84,911 87,034 |
| 28 | | |
| 29 | Amortization of Protected Excess DFIT | - (18,659) |
| 30 | Amortization of Non-protected Excess DFIT | (8,845) - |
| 31 | Research & Development Credit | (2,854) (1,268) |
| 32 | Medicare drug subsidy | (1,624) 8,744 |
| 33 | Restricted Stock Excess Tax Benefit | (56) (56) |
| 34 | | |
| 35 | Total Federal Income Taxes | 71,533 75,794 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
TEST YEAR ENDING 12/31/2018

CONFIDENTIAL

Schedule II-E-3.1 – Reconciliation of Test Year Book Net Income to Taxable Net Income is confidential. A copy of this material will be provided only after execution of a certification to be bound by the draft protective order set forth in Section VII of this Rate Filing Package or a protective order issued in this docket.

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.2 RECONCILIATION OF TIMING DIFFERENCES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)**

INDEX

| Line No. | Description | Twelve Months Ended December 31, 2018 |
|----------|---|---------------------------------------|
| 1 | Pre-Tax Income Per Books | 425,161 |
| 2 | | |
| 3 | Less: State Income Taxes | (18,087) |
| 4 | | |
| 5 | Pretax Book Income | 407,074 |
| 6 | | |
| 7 | Federal Tax Rate | 21% |
| 8 | | |
| 9 | Federal Income Tax at Statutory Rate 21% | 85,485 |
| 10 | | |
| 11 | AFUDC Equity | (2,185) |
| 12 | Non-deductible Club Dues | 2 |
| 13 | Non-deductible Parking and Transit | 24 |
| 14 | CSV Over Offi. Life Ins. Prem. | (2,303) |
| 15 | Nondeductible Lobbying Expenses | 549 |
| 16 | Meals & Entertainment | 122 |
| 17 | Fines & Penalties | 8 |
| 18 | Diesel Fuel Credit Disallowance | 1 |
| 19 | Permanent Depreciation Difference | 993 |
| 20 | Medicare Part D - Reg. Asset | (1,624) |
| 21 | Amortization of Excess DFIT • Protected | - |
| 22 | Amortization or Excess DFIT • Unprotected | (8,845) |
| 23 | Prior Year Adjustments | 1,601 |
| 24 | Restricted Stock Excess Tax Benefit | (56) |
| 25 | R&D Tax Credit | (2,854) |
| 26 | | |
| 27 | Federal Income Tax Expense | 70,918 |
| 28 | Variance Check | - |

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.2 RECONCILIATION OF TIMING DIFFERENCES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)**

INDEX

1

| Line No. | Description | Twelve Months Ended December 31, 2018 |
|----------|--|---------------------------------------|
| Line | Description | Test Year Requested |
| 1 | Pre-Tax Income Per Books | 409,387 |
| 2 | | |
| 3 | Less: State Income Taxes (Current/Deferred) | - |
| 4 | | |
| 5 | Pretax Book Income | 409,387 |
| 6 | | |
| 7 | Federal Tax Rate | 21% |
| 8 | | |
| 9 | Federal Income Tax at Statutory Rate 21% | 85,971 |
| 10 | | |
| 11 | AFUDC Equity | - |
| 12 | Non-deductible Club Dues | - |
| 13 | Non-deductible Parking and Transit | 24 |
| 14 | CSV Over Offi. Life Ins. Prem | - |
| 15 | Nondeductible Lobbying Expenses | - |
| 16 | Meals & Entertainment | 122 |
| 17 | Fines & Penalties | - |
| 18 | Diesel Fuel Credit Disallowance | 1 |
| 19 | Permanent Depreciation Difference | 916 |
| 20 | Medicare Part D - Reg. Asset | 8,744 |
| 21 | Amortization of Excess DFIT • Protected | (18,659) |
| 22 | Amortization or Excess DFIT • Unprotected | - |
| 23 | Prior Year Adjustments | - |
| 24 | Restricted Stock Excess Tax Benefit | (56) |
| 25 | R&D Tax Credit | (1,268) |
| 26 | | |
| 27 | Federal Income Tax Expense | 75,794 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.3 PLANT ADJUSTMENTS
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

The Company is requesting the inclusion of the following new transmission and distribution assets to Plant in Service. The tax information for these additions are as follows:

| Line No. | Tax Class | Description | Rate | Life | Convention | 1 | 2 | 3 | 4 | 5 |
|----------|-----------|-----------------------------------|-------|----------|------------|----------------|----------------|----------------|----------------|----------------|
| | | | | | | 2010 Additions | 2011 Additions | 2012 Additions | 2013 Additions | 2014 Additions |
| 1 | IP | Intangible Plant | MACRS | 3 | H | - | - | - | 1,497 | 9,298 |
| 2 | LD | Land | | | | - | (0) | 33 | 2,632 | 4,245 |
| 3 | LR84 | Transmission Easements | SL | 84 | | 8 | 20 | 168 | 531 | 24 |
| 4 | 49.14A | Transmission Prop Elect | MACRS | 15 | H | - | - | - | 44,825 | 55,506 |
| 5 | 49.14 | Distribution | MACRS | 20 | H | - | - | - | 137,411 | 183,265 |
| 6 | 49.14D | Street Lighting | MACRS | 7 | H | - | - | - | 7,852 | 11,841 |
| 7 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 10 | H | - | - | - | - | - |
| 8 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 5 | H | - | - | - | 5,689 | 2,024 |
| 9 | RP | Real Property - 31 5/39 Yr - Nt | MACRS | 39 | H | 726 | 370 | 2,399 | 4,974 | 64,530 |
| 10 | 00.11 | Office Furn & Fixt-Nt | MACRS | 7 | H | - | - | - | 28,475 | 17,058 |
| 11 | 00.242 | Transportation-Nt | MACRS | 5 | H | - | - | - | 4,153 | 11,225 |
| 12 | 00.12 | Information Systems-Nt | MACRS | 5 | H | - | - | - | 3,969 | 10,988 |
| 13 | 00.11 | General Prop | MACRS | 7 | H | - | - | - | 2,165 | 4,782 |
| 14 | LH | Leasehold Imp | MACRS | 15 | H | - | - | - | - | - |
| 15 | IP | Intangible Plant | MACRS | 3 | MQ4 | 37 | - | 1,381 | - | - |
| 16 | LD | Distribution | MACRS | 20 | MQ4 | 67,929 | 26,868 | 146,147 | - | - |
| 17 | 49.14A | Transmission Prop-Electric | MACRS | 15 | MQ4 | 24,904 | 4,451 | 34,789 | - | - |
| 18 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 10 | MQ4 | 2,286 | - | - | - | - |
| 19 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 5 | MQ4 | - | - | 19,044 | - | - |
| 20 | 00.12 | Information Systems-Nt | MACRS | 5 | MQ4 | 2,059 | - | 10,867 | - | - |
| 21 | 00.11 | Office Furn & Fixt-Nt | MACRS | 7 | MQ4 | 6,324 | - | 18,619 | - | - |
| 22 | 00.242 | Transportation-Nt | MACRS | 5 | MQ4 | 990 | - | 10,166 | - | - |
| 23 | 00.11 | General Prop | MACRS | 7 | MQ4 | - | - | 2,592 | - | - |
| 24 | 49.14D | Street Lighting | MACRS | 7 | MQ4 | 560 | (82) | 4,509 | - | - |
| 25 | | | | | | | | | | |
| 26 | | Tax Basis | | | | 105,824 | 31,627 | 250,713 | 244,172 | 374,784 |
| 27 | | Functionalization | 15 | PLTSVC-N | TRAN | | | | | |
| 28 | IP | Intangible Plant | MACRS | 3 | H | - | - | - | 535 | 3,324 |
| 29 | LD | Land | | | | - | (0) | 12 | 941 | 1,517 |
| 30 | LR84 | Transmission Easements | SL | 84 | | 3 | 7 | 60 | 190 | 9 |
| 31 | 49.14A | Transmission Prop Elect | MACRS | 15 | H | - | - | - | 16,023 | 19,842 |
| 32 | 49.14 | Distribution | MACRS | 20 | H | - | - | - | 49,120 | 65,511 |
| 33 | 49.14D | Street Lighting | MACRS | 7 | H | - | - | - | 2,807 | 4,233 |
| 34 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 10 | H | - | - | - | - | - |
| 35 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 5 | H | - | - | - | 2,034 | 723 |
| 36 | RP | Real Property - 31 5/39 Yr - Nt | MACRS | 39 | H | 260 | 132 | 858 | 1,778 | 23,067 |
| 37 | 00.11 | Office Furn & Fixt-Nt | MACRS | 7 | H | - | - | - | 10,179 | 6,098 |
| 38 | 00.242 | Transportation-Nt | MACRS | 5 | H | - | - | - | 1,485 | 4,012 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.3 PLANT ADJUSTMENTS
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

The Company is requesting the inclusion of the following new transmission and distribution assets to Plant in Service. The tax information for these additions are as follows:

| Line No. | Tax Class | Description | 6 2015 Additions | 7 2016 Additions | 8 2017 Additions | 9 2018 Additions | 10 Total Depreciable Tax Basis | 11 2018 Total Tax Depreciation | 12 2019 Total Tax Depreciation | 13 2020 Total Tax Depreciation | 14 December 31, 2018 ADFIT Liability |
|----------|-----------|-----------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|---|
| 1 | IP | Intangible Plant | 21,981 | 968 | 7,581 | 8,284 | 49,608 | 11,949 | 4,667 | 3,637 | |
| 2 | LD | Land | 737 | 13,528 | 11,152 | - | 32,327 | - | - | - | |
| 3 | LR84 | Transmission Easements | - | 14,328 | 30,663 | - | 45,742 | 544 | 544 | 545 | |
| 4 | 49.14A | Transmission Prop Elect | 77,359 | 99,953 | 147,861 | 259,426 | 684,931 | 139,276 | 52,377 | 47,507 | |
| 5 | 49.14 | Distribution | 227,619 | 185,058 | 198,923 | 332,971 | 1,265,248 | 72,782 | 67,654 | 62,580 | |
| 6 | 49.14D | Street Lighting | 19,816 | 24,245 | 16,122 | 43,268 | 123,144 | 26,723 | 18,622 | 13,842 | |
| 7 | 49.14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | - | - | - | - | |
| 8 | 49.14C | Advanced Meters (Begin 10/3/2008) | 8,876 | 6,551 | 6,745 | 34,786 | 64,670 | 11,776 | 14,202 | 8,643 | |
| 9 | RP | Real Property - 31.5/39 Yr - Nt | 47,170 | 5,953 | 967 | 28,698 | 155,787 | 3,652 | 3,990 | 3,990 | |
| 10 | 00.11 | Office Furn & Fixt-Nt | 40,543 | 12,086 | 7,140 | 5,000 | 110,302 | 12,842 | 10,643 | 8,535 | |
| 11 | 00.242 | Transportation-Nt | 4,897 | 8,460 | 1,903 | 1,000 | 31,638 | 4,044 | 2,680 | 1,619 | |
| 12 | 00.12 | Information Systems-Nt | 40,598 | 3,885 | 1,956 | 5,000 | 66,396 | 8,536 | 7,722 | 3,965 | |
| 13 | 00.11 | General Prop | 4,777 | 1,275 | 3,871 | 10,000 | 26,870 | 3,419 | 3,821 | 2,955 | |
| 14 | LH | Leasehold Imp | - | - | 866 | - | 866 | 58 | 58 | 58 | |
| 15 | IP | Intangible Plant | - | - | - | - | 1,417 | - | - | - | |
| 16 | LD | Distribution | - | - | - | - | 240,945 | 8,837 | 8,368 | 8,156 | |
| 17 | 49.14A | Transmission Prop-Electric | - | - | - | - | 64,144 | 3,166 | 3,161 | 3,161 | |
| 18 | 49.14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | 2,286 | 199 | - | 173 | |
| 19 | 49.14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | 19,044 | - | - | - | |
| 20 | 00.12 | Information Systems-Nt | - | - | - | - | 12,926 | - | - | - | |
| 21 | 00.11 | Office Furn & Fixt-Nt | - | - | - | - | 24,943 | 1,564 | 1,360 | - | |
| 22 | 00.242 | Transportation-Nt | - | - | - | - | 11,156 | - | - | - | |
| 23 | 00.11 | General Prop | - | - | - | - | 2,592 | 301 | 274 | 84 | |
| 24 | 49.14D | Street Lighting | - | - | - | - | 4,988 | 338 | 299 | - | |
| 25 | | | | | | | | | | | |
| 26 | | Tax Basis | 494,374 | 376,291 | 435,751 | 728,433 | 3,041,970 | 310,006 | 200,641 | 169,450 | 681,807 |
| 27 | | Functionalization | | | | | | | | | |
| 28 | IP | Intangible Plant | 7,857 | 346 | 2,710 | 2,961 | 17,733.25 | 4,271 | 1,668 | 1,300 | |
| 29 | LD | Land | 264 | 4,836 | 3,986 | - | 11,555.67 | - | - | - | |
| 30 | LR84 | Transmission Easements | - | 5,122 | 10,961 | - | 16,351.26 | 194 | 194 | 195 | |
| 31 | 49.14A | Transmission Prop Elect | 27,653 | 35,730 | 52,855 | 92,736 | 244,839.06 | 49,786 | 18,723 | 16,982 | |
| 32 | 49.14 | Distribution | 81,366 | 66,152 | 71,108 | 119,026 | 452,282.46 | 26,017 | 24,184 | 22,370 | |
| 33 | 49.14D | Street Lighting | 7,084 | 8,667 | 5,763 | 15,467 | 44,019.87 | 9,553 | 6,657 | 4,948 | |
| 34 | 49.14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | - | - | - | - | |
| 35 | 49.14C | Advanced Meters (Begin 10/3/2008) | 3,173 | 2,342 | 2,411 | 12,435 | 23,117.46 | 4,210 | 5,077 | 3,090 | |
| 36 | RP | Real Property - 31.5/39 Yr - Nt | 16,862 | 2,128 | 346 | 10,259 | 55,688.65 | 1,305 | 1,426 | 1,426 | |
| 37 | 00.11 | Office Furn & Fixt-Nt | 14,493 | 4,320 | 2,552 | 1,787 | 39,429.25 | 4,591 | 3,805 | 3,051 | |
| 38 | 00.242 | Transportation-Nt | 1,750 | 3,024 | 680 | 357 | 11,309.35 | 1,446 | 958 | 579 | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.3 PLANT ADJUSTMENTS
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

The Company is requesting the inclusion of the following new transmission and distribution assets to Plant in Service. The tax information for these additions are as follows

| Line No. | Tax Class | Description | Rate | Life | Convention | 1 | 2 | 3 | 4 | 5 |
|----------|-----------|-----------------------------------|-------|----------|------------|----------------|----------------|----------------|----------------|----------------|
| | | | | | | 2010 Additions | 2011 Additions | 2012 Additions | 2013 Additions | 2014 Additions |
| 39 | 00.12 | Information Systems-Nt | MACRS | 5 | H | - | - | - | 1,419 | 3,928 |
| 40 | 00.11 | General Prop | MACRS | 7 | H | - | - | - | 774 | 1,709 |
| 41 | LH | Leasehold Imp | MACRS | 15 | H | - | - | - | - | - |
| 42 | IP | Intangible Plant | MACRS | 3 | MQ4 | 13 | - | 494 | - | - |
| 43 | LD | Distribution | MACRS | 20 | MQ4 | 24,282 | 9,604 | 52,243 | - | - |
| 44 | 49.14A | Transmission Prop-Electric | MACRS | 15 | MQ4 | 8,902 | 1,591 | 12,436 | - | - |
| 45 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 10 | MQ4 | 817 | - | - | - | - |
| 46 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 5 | MQ4 | - | - | 6,807 | - | - |
| 47 | 00.12 | Information Systems-Nt | MACRS | 5 | MQ4 | 736 | - | 3,884 | - | - |
| 48 | 00.11 | Office Furn & Fixt-Nt | MACRS | 7 | MQ4 | 2,261 | - | 6,656 | - | - |
| 49 | 00.242 | Transportation-Nt | MACRS | 5 | MQ4 | 354 | - | 3,634 | - | - |
| 50 | 00.11 | General Prop | MACRS | 7 | MQ4 | - | - | 927 | - | - |
| 51 | 49.14D | Street Lighting | MACRS | 7 | MQ4 | 200 | (29) | 1,612 | - | - |
| 52 | | | | | | | | | | |
| 53 | | Tax Basis - TRAN | | | | 37,828 | 11,306 | 89,621 | 87,283 | 133,972 |
| 54 | | Functionalization | IS | PLTSVC-N | DIST | | | | | |
| 55 | IP | Intangible Plant | MACRS | 3 | H | - | - | - | 909 | 5,647 |
| 56 | LD | Land | - | - | - | - | (0) | 20 | 1,599 | 2,578 |
| 57 | LR84 | Transmission Easements | SL | 84 | - | 5 | 12 | 102 | 322 | 15 |
| 58 | 49.14A | Transmission Prop Elect | MACRS | 15 | H | - | - | - | 27,223 | 33,710 |
| 59 | 49.14 | Distribution | MACRS | 20 | H | - | - | - | 83,452 | 111,300 |
| 60 | 49.14D | Street Lighting | MACRS | 7 | H | - | - | - | 4,768 | 7,191 |
| 61 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 10 | H | - | - | - | - | - |
| 62 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 5 | H | - | - | - | 3,455 | 1,229 |
| 63 | RP | Real Property - 31 5/39 Yr - Nt | MACRS | 39 | H | 441 | 225 | 1,457 | 3,021 | 39,190 |
| 64 | 00.11 | Office Furn & Fixt-Nt | MACRS | 7 | H | - | - | - | 17,293 | 10,360 |
| 65 | 00.242 | Transportation-Nt | MACRS | 5 | H | - | - | - | 2,522 | 6,817 |
| 66 | 00.12 | Information Systems-Nt | MACRS | 5 | H | - | - | - | 2,411 | 6,673 |
| 67 | 00.11 | General Prop | MACRS | 7 | H | - | - | - | 1,315 | 2,904 |
| 68 | LH | Leasehold Imp | MACRS | 15 | H | - | - | - | - | - |
| 69 | IP | Intangible Plant | MACRS | 3 | MQ4 | 22 | - | 838 | - | - |
| 70 | LD | Distribution | MACRS | 20 | MQ4 | 41,254 | 16,317 | 88,758 | - | - |
| 71 | 49.14A | Transmission Prop-Electric | MACRS | 15 | MQ4 | 15,125 | 2,703 | 21,128 | - | - |
| 72 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 10 | MQ4 | 1,388 | - | - | - | - |
| 73 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 5 | MQ4 | - | - | 11,566 | - | - |
| 74 | 00.12 | Information Systems-Nt | MACRS | 5 | MQ4 | 1,251 | - | 6,599 | - | - |
| 75 | 00.11 | Office Furn & Fixt-Nt | MACRS | 7 | MQ4 | 3,841 | - | 11,307 | - | - |
| 76 | 00.242 | Transportation-Nt | MACRS | 5 | MQ4 | 601 | - | 6,174 | - | - |
| 77 | 00.11 | General Prop | MACRS | 7 | MQ4 | - | - | 1,574 | - | - |
| 78 | 49.14D | Street Lighting | MACRS | 7 | MQ4 | 340 | (50) | 2,738 | - | - |
| 79 | | | | | | | | | | |
| 80 | | Tax Basis - DIST | | | | 64,269 | 19,208 | 152,262 | 148,290 | 227,612 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.3 PLANT ADJUSTMENTS
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

The Company is requesting the inclusion of the following new transmission and distribution assets to Plant in Service. The tax information for these additions are as follows:

| Line No. | Tax Class | Description | 6 2015 Additions | 7 2016 Additions | 8 2017 Additions | 9 2018 Additions | 10 Total Depreciable Tax Basis | 11 2018 Total Tax Depreciation | 12 2019 Total Tax Depreciation | 13 2020 Total Tax Depreciation | 14 December 31, 2018 ADFIT Liability |
|----------|-----------|-----------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|---|
| 39 | 00 12 | Information Systems-Nt | 14,512 | 1,389 | 699 | 1,787 | 23,734.11 | 3,051 | 2,760 | 1,417 | |
| 40 | 00 11 | General Prop | 1,708 | 456 | 1,384 | 3,575 | 9,605.24 | 1,222 | 1,366 | 1,056 | |
| 41 | LH | Leasehold Imp | - | - | 310 | - | 309.52 | 21 | 21 | 21 | |
| 42 | IP | Intangible Plant | - | - | - | - | 506.59 | - | - | - | |
| 43 | LD | Distribution | - | - | - | - | 86,129.39 | 3,159 | 2,991 | 2,915 | |
| 44 | 49 14A | Transmission Prop-Electric | - | - | - | - | 22,929.16 | 1,132 | 1,130 | 1,130 | |
| 45 | 49 14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | 817.11 | 71 | 71 | 62 | |
| 46 | 49 14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | 6,807.49 | - | - | - | |
| 47 | 00 12 | Information Systems-Nt | - | - | - | - | 4,620.61 | - | - | - | |
| 48 | 00 11 | Office Furn & Fixt-Nt | - | - | - | - | 8,916.18 | 559 | 486 | - | |
| 49 | 00 242 | Transportation-Nt | - | - | - | - | 3,988.04 | - | - | - | |
| 50 | 00 11 | General Prop | - | - | - | - | 926.60 | 108 | 98 | 30 | |
| 51 | 49 14D | Street Lighting | - | - | - | - | 1,782.87 | 121 | 107 | - | |
| 52 | | | | | | | | | | | |
| 53 | | Tax Basis - TRAN | 176,722 | 134,511 | 155,766 | 260,390 | 1,087,399 | 110,816 | 71,722 | 60,573 | 243,723 |
| 54 | | Functionalization | | | | | | | | | |
| 55 | IP | Intangible Plant | 13,349 | 588 | 4,604 | 5,031 | 30,128 | 7,257 | 2,834 | 2,209 | |
| 56 | LD | Land | 448 | 8,216 | 6,773 | - | 19,633 | - | - | - | |
| 57 | LR84 | Transmission Easements | - | 8,702 | 18,622 | - | 27,780 | 330 | 330 | 331 | |
| 58 | 49 14A | Transmission Prop Elect | 46,981 | 60,703 | 89,798 | 157,554 | 415,969 | 84,585 | 31,809 | 28,852 | |
| 59 | 49 14 | Distribution | 138,237 | 112,389 | 120,809 | 202,219 | 768,406 | 44,202 | 41,087 | 38,006 | |
| 60 | 49 14D | Street Lighting | 12,035 | 14,725 | 9,791 | 26,277 | 74,788 | 16,229 | 11,309 | 8,406 | |
| 61 | 49 14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | - | - | - | - | |
| 62 | 49 14C | Advanced Meters (Begin 10/3/2008) | 5,390 | 3,979 | 4,096 | 21,126 | 39,275 | 7,152 | 8,625 | 5,249 | |
| 63 | RP | Real Property - 31.5/39 Yr - Nt | 28,647 | 3,616 | 587 | 17,429 | 94,612 | 2,218 | 2,423 | 2,423 | |
| 64 | 00 11 | Office Furn & Fixt-Nt | 24,622 | 7,340 | 4,336 | 3,037 | 66,988 | 7,799 | 6,464 | 5,183 | |
| 65 | 00 242 | Transportation-Nt | 2,974 | 5,138 | 1,156 | 607 | 19,214 | 2,456 | 1,628 | 983 | |
| 66 | 00 12 | Information Systems-Nt | 24,656 | 2,359 | 1,188 | 3,037 | 40,323 | 5,184 | 4,690 | 2,408 | |
| 67 | 00 11 | General Prop | 2,901 | 774 | 2,351 | 6,073 | 16,319 | 2,076 | 2,321 | 1,795 | |
| 68 | LH | Leasehold Imp | - | - | 526 | - | 526 | 35 | 35 | 35 | |
| 69 | IP | Intangible Plant | - | - | - | - | 861 | - | - | - | |
| 70 | LD | Distribution | - | - | - | - | 146,330 | 5,367 | 5,082 | 4,953 | |
| 71 | 49 14A | Transmission Prop-Electric | - | - | - | - | 38,956 | 1,923 | 1,920 | 1,920 | |
| 72 | 49 14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | 1,388 | 121 | 121 | 105 | |
| 73 | 49 14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | 11,566 | - | - | - | |
| 74 | 00 12 | Information Systems-Nt | - | - | - | - | 7,850 | - | - | - | |
| 75 | 00 11 | Office Furn & Fixt-Nt | - | - | - | - | 15,148 | 950 | 826 | - | |
| 76 | 00 242 | Transportation-Nt | - | - | - | - | 6,775 | - | - | - | |
| 77 | 00 11 | General Prop | - | - | - | - | 1,574 | 183 | 166 | 51 | |
| 78 | 49 14D | Street Lighting | - | - | - | - | 3,029 | 205 | 182 | - | |
| 79 | | | | | | | | | | | |
| 80 | | Tax Basis - DIST | 300,241 | 228,528 | 264,639 | 442,389 | 1,847,438 | 188,272 | 121,853 | 102,910 | 414,073 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.3 PLANT ADJUSTMENTS
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

The Company is requesting the inclusion of the following new transmission and distribution assets to Plant in Service. The tax information for these additions are as follows.

| Line No. | Tax Class | Description | Rate | Life | Convention | 1 | 2 | 3 | 4 | 5 |
|----------|-----------|-----------------------------------|-------|----------|------------|----------------|----------------|----------------|----------------|----------------|
| | | | | | | 2010 Additions | 2011 Additions | 2012 Additions | 2013 Additions | 2014 Additions |
| 81 | | Functionalization | 15 | PLTSVC-N | MET | | | | | |
| 82 | IP | Intangible Plant | MACRS | 3 | H | - | - | - | 37 | 232 |
| 83 | LD | Land | - | - | | - | (0) | 1 | 66 | 106 |
| 84 | LR84 | Transmission Easements | SL | 84 | | 0 | 1 | 4 | 13 | 1 |
| 85 | 49 14A | Transmission Prop Elect | MACRS | 15 | H | - | - | - | 1,117 | 1,383 |
| 86 | 49 14 | Distribution | MACRS | 20 | H | - | - | - | 3,423 | 4,565 |
| 87 | 49 14D | Street Lighting | MACRS | 7 | H | - | - | - | 196 | 295 |
| 88 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 10 | H | - | - | - | - | - |
| 89 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 5 | H | - | - | - | 142 | 50 |
| 90 | RP | Real Property - 31.5/39 Yr - Nt | MACRS | 39 | H | 18 | 9 | 60 | 124 | 1,607 |
| 91 | 00 11 | Office Furn & Fixt-Nt | MACRS | 7 | H | - | - | - | 709 | 425 |
| 92 | 00 242 | Transportation-Nt | MACRS | 5 | H | - | - | - | 103 | 280 |
| 93 | 00.12 | Information Systems-Nt | MACRS | 5 | H | - | - | - | 99 | 274 |
| 94 | 00 11 | General Prop | MACRS | 7 | H | - | - | - | 54 | 119 |
| 95 | LH | Leasehold Imp | MACRS | 15 | H | - | - | - | - | - |
| 96 | IP | Intangible Plant | MACRS | 3 | MQ4 | 1 | - | 34 | - | - |
| 97 | LD | Distribution | MACRS | 20 | MQ4 | 1,692 | 669 | 3,640 | - | - |
| 98 | 49.14A | Transmission Prop-Electric | MACRS | 15 | MQ4 | 620 | 111 | 867 | - | - |
| 99 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 10 | MQ4 | 57 | - | - | - | - |
| 100 | 49 14C | Advanced Meters (Begin 10/3/2008) | MACRS | 5 | MQ4 | - | - | 474 | - | - |
| 101 | 00.12 | Information Systems-Nt | MACRS | 5 | MQ4 | 51 | - | 271 | - | - |
| 102 | 00.11 | Office Furn & Fixt-Nt | MACRS | 7 | MQ4 | 158 | - | 464 | - | - |
| 103 | 00 242 | Transportation-Nt | MACRS | 5 | MQ4 | 25 | - | 253 | - | - |
| 104 | 00 11 | General Prop | MACRS | 7 | MQ4 | - | - | 65 | - | - |
| 105 | 49 14D | Street Lightng | MACRS | 7 | MQ4 | 14 | (2) | 112 | - | - |
| 106 | | | | | | | | | | |
| 107 | | Tax Basis - MET | | | | 2,636 | 788 | 6,245 | 6,082 | 9,336 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.3 PLANT ADJUSTMENTS
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

The Company is requesting the inclusion of the following new transmission and distribution assets to Plant in Service. The tax information for these additions are as follows:

| Line No. | Tax Class | Description | 6 2015 Additions | 7 2016 Additions | 8 2017 Additions | 9 2018 Additions | 10 Total Depreciable Tax Basis | 11 2018 Total Tax Depreciation | 12 2019 Total Tax Depreciation | 13 2020 Total Tax Depreciation | 14 December 31, 2018 ADFIT Liability |
|----------|-----------|-----------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|---|
| 81 | | Functionalization | | | | | | | | | |
| 82 | IP | Intangible Plant | 548 | 24 | 189 | 206 | 1,236 | 298 | 116 | 91 | |
| 83 | LD | Land | 18 | 337 | 278 | - | 805 | - | - | - | |
| 84 | LR84 | Transmission Easements | - | 357 | 764 | - | 1,139 | 14 | 14 | 14 | |
| 85 | 49.14A | Transmission Prop Elect | 1,927 | 2,490 | 3,683 | 6,462 | 17,061 | 3,469 | 1,305 | 1,183 | |
| 86 | 49.14 | Distribution | 5,670 | 4,610 | 4,955 | 8,294 | 31,516 | 1,813 | 1,685 | 1,559 | |
| 87 | 49.14D | Street Lighting | 494 | 604 | 402 | 1,078 | 3,067 | 666 | 464 | 345 | |
| 88 | 49.14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | - | - | - | - | |
| 89 | 49.14C | Advanced Meters (Begin 10/3/2008) | 221 | 163 | 168 | 866 | 1,611 | 293 | 354 | 215 | |
| 90 | RP | Real Property - 31.5/39 Yr - Nt | 1,175 | 148 | 24 | 715 | 3,881 | 91 | 99 | 99 | |
| 91 | 00.11 | Office Furn & Fixt-Nt | 1,010 | 301 | 178 | 125 | 2,748 | 320 | 265 | 213 | |
| 92 | 00.242 | Transportation-Nt | 122 | 211 | 47 | 25 | 788 | 101 | 67 | 40 | |
| 93 | 00.12 | Information Systems-Nt | 1,011 | 97 | 49 | 125 | 1,654 | 213 | 192 | 99 | |
| 94 | 00.11 | General Prop | 119 | 32 | 96 | 249 | 669 | 85 | 95 | 74 | |
| 95 | LH | Leasehold Imp | - | - | 22 | - | 22 | 1 | 1 | 1 | |
| 96 | IP | Intangible Plant | - | - | - | - | 35 | - | - | - | |
| 97 | LD | Distribution | - | - | - | - | 6,002 | 220 | 208 | 203 | |
| 98 | 49.14A | Transmission Prop-Electric | - | - | - | - | 1,598 | 79 | 79 | 79 | |
| 99 | 49.14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | 57 | 5 | 5 | 4 | |
| 100 | 49.14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | 474 | - | - | - | |
| 101 | 00.12 | Information Systems-Nt | - | - | - | - | 322 | - | - | - | |
| 102 | 00.11 | Office Furn & Fixt-Nt | - | - | - | - | 621 | 39 | 34 | - | |
| 103 | 00.242 | Transportation-Nt | - | - | - | - | 278 | - | - | - | |
| 104 | 00.11 | General Prop | - | - | - | - | 65 | 7 | 7 | 2 | |
| 105 | 49.14D | Street Lighting | - | - | - | - | 124 | 8 | 7 | - | |
| 106 | | | | | | | | | | | |
| 107 | | Tax Basis - MET | 12,314 | 9,373 | 10,854 | 18,145 | 75,773 | 7,722 | 4,998 | 4,221 | 16,983 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.3 PLANT ADJUSTMENTS
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

The Company is requesting the inclusion of the following new transmission and distribution assets to Plant in Service. The tax information for these additions are as follows.

| Line No. | Tax Class | Description | Rate | Life | Convention | 1 | 2 | 3 | 4 | 5 |
|----------|-----------|-----------------------------------|-------|----------|------------|----------------|----------------|----------------|----------------|----------------|
| | | | | | | 2010 Additions | 2011 Additions | 2012 Additions | 2013 Additions | 2014 Additions |
| 108 | | Functionalization | 15 | PLTSVC-N | TDCS | | | | | |
| 109 | IP | Intangible Plant | MACRS | 3 | H | - | - | - | 15 | 96 |
| 110 | LD | Land | - | - | | - | (0) | 0 | 27 | 44 |
| 111 | LR84 | Transmission Easements | SL | 84 | | 0 | 0 | 2 | 5 | 0 |
| 112 | 49.14A | Transmission Prop Elect | MACRS | 15 | H | - | - | - | 462 | 572 |
| 113 | 49.14 | Distribution | MACRS | 20 | H | - | - | - | 1,417 | 1,889 |
| 114 | 49.14D | Street Lighting | MACRS | 7 | H | - | - | - | 81 | 122 |
| 115 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 10 | H | - | - | - | - | - |
| 116 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 5 | H | - | - | - | 59 | 21 |
| 117 | RP | Real Property - 31.5/39 Yr - Nt | MACRS | 39 | H | 7 | 4 | 25 | 51 | 665 |
| 118 | 00.11 | Office Furn & Fixt-Nt | MACRS | 7 | H | - | - | - | 294 | 176 |
| 119 | 00.242 | Transportation-Nt | MACRS | 5 | H | - | - | - | 43 | 116 |
| 120 | 00.12 | Information Systems-Nt | MACRS | 5 | H | - | - | - | 41 | 113 |
| 121 | 00.11 | General Prop | MACRS | 7 | H | - | - | - | 22 | 49 |
| 122 | LH | Leasehold Imp | MACRS | 15 | H | - | - | - | - | - |
| 123 | IP | Intangible Plant | MACRS | 3 | MQ4 | 0 | - | 14 | - | - |
| 124 | LD | Distribution | MACRS | 20 | MQ4 | 700 | 277 | 1,507 | - | - |
| 125 | 49.14A | Transmission Prop-Electric | MACRS | 15 | MQ4 | 257 | 46 | 359 | - | - |
| 126 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 10 | MQ4 | 24 | - | - | - | - |
| 127 | 49.14C | Advanced Meters (Begin 10/3/2008) | MACRS | 5 | MQ4 | - | - | 196 | - | - |
| 128 | 00.12 | Information Systems-Nt | MACRS | 5 | MQ4 | 21 | - | 112 | - | - |
| 129 | 00.11 | Office Furn & Fixt-Nt | MACRS | 7 | MQ4 | 65 | - | 192 | - | - |
| 130 | 00.242 | Transportation-Nt | MACRS | 5 | MQ4 | 10 | - | 105 | - | - |
| 131 | 00.11 | General Prop | MACRS | 7 | MQ4 | - | - | 27 | - | - |
| 132 | 49.14D | Street Lighting | MACRS | 7 | MQ4 | 6 | (1) | 46 | - | - |
| 133 | | | | | | | | | | |
| 134 | | Tax Basis - TDCS | | | | 1,091 | 326 | 2,585 | 2,517 | 3,864 |

Note: Tax basis includes reductions for bonus depreciation taken on each asset.
Includes AMS.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.3 PLANT ADJUSTMENTS
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

The Company is requesting the inclusion of the following new transmission and distribution assets to Plant in Service. The tax information for these additions are as follows

| Line No | Tax Class | Description | 6 2015 Additions | 7 2016 Additions | 8 2017 Additions | 9 2018 Additions | 10 Total Depreciable Tax Basis | 11 2018 Total Tax Depreciation | 12 2019 Total Tax Depreciation | 13 2020 Total Tax Depreciation | 14 December 31, 2018 ADFTT Liability |
|---------|-----------|-----------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|---|
| 108 | | Functionalization | | | | | | | | | |
| 109 | IP | Intangible Plant | 227 | 10 | 78 | 85 | 511 | 123 | 48 | 37 | |
| 110 | LD | Land | 8 | 139 | 115 | - | 333 | - | - | - | |
| 111 | LR84 | Transmission Easements | - | 148 | 316 | - | 472 | 6 | 6 | 6 | |
| 112 | 49.14A | Transmission Prop Elect | 797 | 1,030 | 1,524 | 2,674 | 7,061 | 1,436 | 540 | 490 | |
| 113 | 49.14 | Distribution | 2,347 | 1,908 | 2,051 | 3,433 | 13,043 | 750 | 697 | 645 | |
| 114 | 49.14D | Street Lighting | 204 | 250 | 166 | 446 | 1,269 | 275 | 192 | 143 | |
| 115 | 49.14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | - | - | - | - | |
| 116 | 49.14C | Advanced Meters (Begin 10/3/2008) | 92 | 68 | 70 | 359 | 667 | 121 | 146 | 89 | |
| 117 | RP | Real Property - 31.5/39 Yr - Nt | 486 | 61 | 10 | 296 | 1,606 | 38 | 41 | 41 | |
| 118 | 00.11 | Office Furn & Fixt-Nt | 418 | 125 | 74 | 52 | 1,137 | 132 | 110 | 88 | |
| 119 | 00.242 | Transportation-Nt | 50 | 87 | 20 | 10 | 326 | 42 | 28 | 17 | |
| 120 | 00.12 | Information Systems-Nt | 419 | 40 | 20 | 52 | 684 | 88 | 80 | 41 | |
| 121 | 00.11 | General Prop | 49 | 13 | 40 | 103 | 277 | 35 | 39 | 30 | |
| 122 | LH | Leasehold Imp | - | - | 9 | - | 9 | 1 | 1 | 1 | |
| 123 | IP | Intangible Plant | - | - | - | - | 15 | - | - | - | |
| 124 | LD | Distribution | - | - | - | - | 2,484 | 91 | 86 | 84 | |
| 125 | 49.14A | Transmission Prop-Electnc | - | - | - | - | 661 | 33 | 33 | 33 | |
| 126 | 49.14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | 24 | 2 | 2 | 2 | |
| 127 | 49.14C | Advanced Meters (Begin 10/3/2008) | - | - | - | - | 196 | - | - | - | |
| 128 | 00.12 | Information Systems-Nt | - | - | - | - | 133 | - | - | - | |
| 129 | 00.11 | Office Furn & Fixt-Nt | - | - | - | - | 257 | 16 | 14 | - | |
| 130 | 00.242 | Transportation-Nt | - | - | - | - | 115 | - | - | - | |
| 131 | 00.11 | General Prop | - | - | - | - | 27 | 3 | 3 | 1 | |
| 132 | 49.14D | Street Lighting | - | - | - | - | 51 | 3 | 3 | - | |
| 133 | | | | | | | | | | | |
| 134 | | Tax Basis - TDCS | 5,097 | 3,879 | 4,492 | 7,509 | 31,360 | 3,196 | 2,068 | 1,747 | 7,029 |

Note: Tax basis includes reductions for bonus depreciation taken or Includes AMS

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

CONFIDENTIAL

Schedule II-E-3.4 Consolidation/Inter-Corporate Tax Allocation is confidential. A copy of this material will be provided only after execution of a certification to be bound by the draft protective order set forth in Section VII of this Rate Filing Package or a protective order issued in this docket.

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

CONFIDENTIAL

Schedule II-E-3.4a Consolidation/Inter-Corporate Tax Allocation is confidential. A copy of this material will be provided only after execution of a certification to be bound by the draft protective order set forth in Section VII of this Rate Filing Package or a protective order issued in this docket.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.1 ADFT
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

INDEX

| Line No | Description | 1 Total Company | 2 Non-Regulated or Non-Electric | 3 Known and Measurable Changes | 4 Company Total Electric | 5 FF # | 6 Functionalization Factor Name | 7 Allocation to Texas |
|---------|--|--------------------|---------------------------------------|--------------------------------------|--------------------------------|-----------|---------------------------------------|--------------------------|
| 1 | Account 1900 | | | | | | | |
| 2 | Deferred Credits | | | | | | | |
| 3 | Regulatory Liabilities (Sales) | 10,742 | - | (10,742) | 0 | 1 | DA | 0 |
| 4 | Regulatory Liabilities (Expense) | 16,245 | - | (3,510) | 12,735 | 12 | PAYXAG | 12,735 |
| 5 | Accrued Bonuses | 0 | - | - | 0 | 20 | TRTBSE | 0 |
| 6 | Benefit Equalization & Saving Plan | 42 | - | (42) | 0 | 20 | TRTBSE | 0 |
| 7 | Stock Options Exercised | 1,047 | - | (1,047) | 0 | 20 | TRTBSE | 0 |
| 8 | Post-Retirement Benefits | 14,172 | - | (14,172) | 0 | 20 | TRTBSE | 0 |
| 9 | Deferred Compensation Accrual | 1,786 | - | (1,786) | (0) | 20 | TRTBSE | (0) |
| 10 | Partnership K-1 Income | 3 | - | (3) | 0 | 20 | TRTBSE | 0 |
| 11 | Bad Debt Expense | 245 | - | (245) | 0 | 20 | TRTBSE | 0 |
| 12 | Accretion Expense | 7,032 | - | (7,032) | (0) | 20 | TRTBSE | (0) |
| 13 | Injuries And Damages Accruals | 2,680 | - | - | 2,680 | 1 | DA | 2,680 |
| 14 | Other Reserves (Environ Liab) | 390 | - | (390) | 0 | 20 | TRTBSE | 0 |
| 15 | Debt Issuance Cost | 22 | - | (22) | 0 | 20 | TRTBSE | 0 |
| 16 | FAS 158 Re-Measurement Rate Diff Adjustment | 3 | - | (3) | 0 | 20 | TRTBSE | 0 |
| 17 | Excess DFIT - Gross Up - Fed (FERC 190) Protected | 150,648 | - | - | 150,648 | 21 | GPLT | 150,648 |
| 18 | Excess DFIT - Gross Up - Fed (FERC 190) Unprotected | 53,157 | - | (53,157) | - | 1 | DA | - |
| 19 | | | | | | | | |
| 20 | Total Deferred Credits | 258,215 | - | (92,151) | 166,064 | | | 166,064 |
| 21 | | | | | | | | |
| 22 | Deferred Debits | | | | | | | |
| 23 | MTM - Derivative | 4,892 | - | (4,892) | (0) | 20 | TRTBSE | (0) |
| 24 | | | | | | | | |
| 25 | Total Deferred Debits | 4,892 | - | (4,892) | (0) | | | (0) |
| 26 | | | | | | | | |
| 27 | Total for Account 1900, Accumulated Deferred Income Taxes | 263,107 | - | (97,043) | 166,064 | | | 166,064 |
| 28 | | | | | | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.1 ADFIT
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

| Line No. | Description | 8 TRAN | 9 DIST | 10 MET | 11 TDCS | 12 Total |
|----------|--|---------------|----------------|--------------|--------------|----------------|
| 1 | <u>Account 1900</u> | | | | | |
| 2 | <u>Deferred Credits</u> | | | | | |
| 3 | Regulatory Liabilities (Sales) | - | - | - | - | - |
| 4 | Regulatory Liabilities (Expense) | 2,524 | 9,392 | 24 | 795 | 12,735 |
| 5 | Accrued Bonuses | 0 | 0 | 0 | 0 | 0 |
| 6 | Benefit Equalization & Saving Plan | 0 | 0 | 0 | 0 | 0 |
| 7 | Stock Options Exercised | 0 | 0 | 0 | 0 | 0 |
| 8 | Post-Retirement Benefits | 0 | 0 | 0 | 0 | 0 |
| 9 | Deferred Compensation Accrual | (0) | (0) | (0) | (0) | (0) |
| 10 | Partnership K-1 Income | 0 | 0 | 0 | 0 | 0 |
| 11 | Bad Debt Expense | 0 | 0 | 0 | 0 | 0 |
| 12 | Accretion Expense | (0) | (0) | (0) | (0) | (0) |
| 13 | Injuries And Damages Accruals | 832 | 1,730 | 50 | 67 | 2,680 |
| 14 | Other Reserves (Environ Liab) | 0 | 0 | 0 | 0 | 0 |
| 15 | Debt Issuance Cost | 0 | 0 | 0 | 0 | 0 |
| 16 | FAS 158 Re-Measurement Rate Diff Adjustment | 0 | 0 | 0 | 0 | 0 |
| 17 | Excess DFIT - Gross Up - Fed (FERC 190) Protected | 47,927 | 96,362 | 4,562 | 1,798 | 150,648 |
| 18 | Excess DFIT - Gross Up - Fed (FERC 190) Unprotected | - | - | - | - | - |
| 19 | | | | | | |
| 20 | Total Deferred Credits | 51,284 | 107,485 | 4,636 | 2,659 | 166,064 |
| 21 | | | | | | |
| 22 | <u>Deferred Debits</u> | | | | | |
| 23 | MTM - Derivative | (0) | (0) | (0) | (0) | (0) |
| 24 | | | | | | |
| 25 | Total Deferred Debits | (0) | (0) | (0) | (0) | (0) |
| 26 | | | | | | |
| 27 | Total for Account 1900, Accumulated Deferred Income Taxes | 51,284 | 107,485 | 4,636 | 2,659 | 166,064 |
| 28 | | | | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.1 ADFIT
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

INDEX

| Line No. | Description | 1 Total Company | 2 Non-Regulated or Non-Electric | 3 Known and Measurable Changes | 4 Company Total Electric | 5 FF # | 6 Functionalization Factor Name | 7 Allocation to Texas |
|----------|--|--------------------|---------------------------------------|--------------------------------------|--------------------------------|-----------|---------------------------------------|--------------------------|
| 29 | | | | | | | | |
| 30 | Account 2820 | | | | | | | |
| 31 | Deferred Credits | | | | | | | |
| 32 | Uniform Capitalization | (47,237) | - | - | (47,237) | 21 | GPLT | (47,237) |
| 33 | Book/Tax Depreciation | (881,511) | - | (10,609) | (892,120) | 21 | GPLT | (892,120) |
| 34 | PP&E Permanent Difference | (16,110) | - | 16,110 | - | 1 | DA | - |
| 35 | ARO | (2,053) | - | 2,053 | (0) | 1 | DA | (0) |
| 36 | Casualty Loss | (113,407) | - | - | (113,407) | 1 | DA | (113,407) |
| 37 | Deductible Repairs & Maintenance | (128,037) | - | - | (128,037) | 21 | GPLT | (128,037) |
| 38 | Self Developed Software | (13,774) | - | - | (13,774) | 21 | GPLT | (13,774) |
| 39 | | | | | | | | |
| 40 | Total Deferred Credits | (1,202,131) | - | 7,554 | (1,194,577) | | | (1,194,577) |
| 41 | | | | | | | | |
| 42 | Deferred Debits | | | | | | | |
| 43 | AFUDC - Debt | 8,053 | - | - | 8,053 | 21 | GPLT | 8,053 |
| 44 | Include CIAC In Income | 106,876 | - | - | 106,876 | 21 | GPLT | 106,876 |
| 45 | Pre TCJA Excess DFIT | 419 | - | - | 419 | 21 | GPLT | 419 |
| 46 | | | | | | | | |
| 47 | Total Deferred Debits | 115,348 | - | - | 115,348 | | | 115,348 |
| 48 | | | | | | | | |
| 49 | Total for Account 2820, Accumulated Deferred Income Taxes | (1,086,782) | - | 7,554 | (1,079,228) | | | (1,079,228) |
| 50 | | | | | | | | |
| 51 | | | | | | | | |
| 52 | Account 2830 | | | | | | | |
| 53 | Deferred Credits | | | | | | | |
| 54 | Reg Asset - Income Tax | (4,282) | - | 4,282 | (0) | 1 | DA | (0) |
| 55 | Reg Asset - Bad Debt | (330) | - | - | (330) | 5 | TDCS | (330) |
| 56 | Reg Asset - Stranded Costs | (186,336) | - | 186,336 | 0 | 1 | DA | 0 |
| 57 | Reg Asset - Other | (1,781) | - | 335 | (1,446) | 3 | DIST | (1,446) |
| 58 | Reg Asset - Amortization | (29,020) | - | 12,199 | (16,821) | 1 | DA | (16,821) |
| 59 | Reg Asset - Pension | 7,417 | - | (12,939) | (5,522) | 12 | PAYXAG | (5,522) |
| 60 | Reg Asset - ARO | (4,978) | - | 4,978 | (0) | 12 | PAYXAG | (0) |
| 61 | Excess DFIT - Gross Up - FED (FERC 283) | (32,063) | - | 32,063 | 0 | 12 | PAYXAG | 0 |
| 62 | Other Misc DFIT | (502) | - | 502 | 0 | 20 | TRTBSE | 0 |
| 63 | | | | | | | | |
| 64 | Total Deferred Credits | (251,875) | - | 227,756 | (24,119) | | | (24,119) |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.1 ADFIT
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

| Line No | Description | 8 TRAN | 9 DIST | 10 MET | 11 TDCS | 12 Total |
|---------|--|------------------|------------------|-----------------|-----------------|--------------------|
| 29 | | | | | | |
| 30 | <u>Account 2820</u> | | | | | |
| 31 | <u>Deferred Credits</u> | | | | | |
| 32 | Uniform Capitalization | (15,028) | (30,215) | (1,430) | (564) | (47,237) |
| 33 | Book/Tax Depreciation | (283,818) | (570,642) | (27,015) | (10,645) | (892,120) |
| 34 | PP&E Permanent Difference | - | - | - | - | - |
| 35 | ARO | - | - | - | - | - |
| 36 | Casualty Loss | (1,442) | (111,965) | - | - | (113,407) |
| 37 | Deductible Repairs & Maintenance | (40,734) | (81,899) | (3,877) | (1,528) | (128,037) |
| 38 | Self Developed Software | (4,382) | (8,811) | (417) | (164) | (13,774) |
| 39 | | | | | | |
| 40 | Total Deferred Credits | (345,404) | (803,531) | (32,740) | (12,901) | (1,194,576) |
| 41 | | | | | | |
| 42 | <u>Deferred Debits</u> | | | | | |
| 43 | AFUDC - Debt | 2,562 | 5,151 | 244 | 96 | 8,053 |
| 44 | Include CIAC In Income | 34,001 | 68,363 | 3,236 | 1,275 | 106,876 |
| 45 | Pre TCJA Excess DFIT | 133 | 268 | 13 | 5 | 419 |
| 46 | | | | | | |
| 47 | Total Deferred Debits | 36,697 | 73,782 | 3,493 | 1,376 | 115,348 |
| 48 | | | | | | |
| 49 | Total for Account 2820, Accumulated Deferred Income Taxes | (308,707) | (729,749) | (29,247) | (11,525) | (1,079,228) |
| 50 | | | | | | |
| 51 | | | | | | |
| 52 | <u>Account 2830</u> | | | | | |
| 53 | <u>Deferred Credits</u> | | | | | |
| 54 | Reg Asset - Income Tax | - | - | - | - | - |
| 55 | Reg Asset - Bad Debt | - | - | - | (330) | (330) |
| 56 | Reg Asset - Stranded Costs | - | - | - | - | - |
| 57 | Reg Asset - Other | - | (1,446) | - | - | (1,446) |
| 58 | Reg Asset - Amortization | (195) | (16,382) | (243) | - | (16,821) |
| 59 | Reg Asset - Pension | (1,094) | (4,073) | (10) | (345) | (5,522) |
| 60 | Reg Asset - ARO | (0) | (0) | (0) | (0) | (0) |
| 61 | Excess DFIT - Gross Up - FED (FERC 283) | 0 | 0 | 0 | 0 | 0 |
| 62 | Other Misc DFIT | 0 | 0 | 0 | 0 | 0 |
| 63 | | | | | | |
| 64 | Total Deferred Credits | (1,290) | (21,901) | (254) | (674) | (24,118) |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.1 ADFIT
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

INDEX

| Line No | Description | 1 Total Company | 2 Non-Regulated or Non-Electric | 3 Known and Measurable Changes | 4 Company Total Electric | 5 FF # | 6 Functionalization Factor Name | 7 Allocation to Texas |
|---------|--|--------------------|---------------------------------------|--------------------------------------|--------------------------------|-----------|---------------------------------------|--------------------------|
| 65 | | | | | | | | |
| 66 | Deferred Debits | | | | | | | |
| 67 | Reg Asset - Equity | 43,065 | - | (43,065) | 0 | 1 | DA | 0 |
| 68 | Other Misc DFIT - FAS 133 | 3,690 | - | (3,690) | (0) | 21 | GPLT | (0) |
| 69 | Prepaid Pension Asset Service Company | - | - | (37,016) | (37,016) | 12 | PAYXAG | (37,016) |
| 70 | | | | | | | | |
| 71 | Total Deferred Debits | 46,755 | - | (83,771) | (37,016) | | | (37,016) |
| 72 | | | | | | | | |
| 73 | Total for Account 2830, Accumulated Deferred Income Taxes | (205,120) | - | 143,985 | (61,135) | | | (61,135) |
| 74 | | | | | | | | |
| 75 | | | | | | | | |
| 76 | Total | (1,028,796) | - | 54,496 | (974,300) | | | |

The Company has not had any changes in accounting for deferred federal income taxes.

Note: Excludes test period ADSIT of (\$6,659)

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.1 ADFIT
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

| Line No | Description | 8 TRAN | 9 DIST | 10 MET | 11 TDCS | 12 Total |
|------------|--|----------------|-----------------|--------------|----------------|-----------------|
| 65 | | | | | | |
| 66 | Deferred Debits | | | | | |
| 67 | Reg Asset - Equity | - | - | - | - | - |
| 68 | Other Misc DFIT - FAS 133 | (0) | (0) | (0) | (0) | (0) |
| 69 | Prepaid Pension Asset Service Company | (7,336) | (27,300) | (70) | (2,310) | (37,016) |
| 70 | | | | | | |
| 71 | Total Deferred Debits | (7,336) | (27,301) | (70) | (2,310) | (37,016) |
| 72 | | | | | | |
| 73 | Total for Account 2830, Accumulated Deferred Income Taxes | (8,626) | (49,201) | (324) | (2,984) | (61,135) |
| 74 | | | | | | |
| 75 | | | | | | |
| 76 | Total | | | | | |

The Company has not had any changes in accounting for deferred
federal income taxes
Note: Excludes test period ADSIT of (\$6,659)

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.2 ADDIT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

12/31/18

| Lane No. | Description | FF # | Functionalization Factors | 1 Monthly Balance | 2 TRAN | 3 DIST | 4 MET | 5 TDCS |
|--|-------------|---------------------------|---------------------------|----------------------|-------------------|-----------------|------------------|-----------|
| Description | FF # | Functionalization Factors | Balance at 1/31/2018 | TRAN | DIST | MET | TDCS | |
| 1 Account 1900 | | | | | | | | |
| 2 Deferred Credits | | | | | | | | |
| 3 Regulatory Liabilities (Sales) | 20 | TRTBSE | 7,772 | 2,851 | 4,640 | 192 | 88 | |
| 4 Regulatory Liabilities (Expense) | 20 | TRTBSE | 11,679 | 4,284 | 6,974 | 289 | 132 | |
| 5 Accrued Bonuses | 20 | TRTBSE | 0 | 0 | 0 | 0 | 0 | |
| 6 Benefit Equalization & Saving Plan | 12 | PAYXAG | 36 | 7 | 27 | 0 | 2 | |
| 7 Stock Options Exercised | 12 | PAYXAG | 962 | 191 | 710 | 2 | 60 | |
| 8 Post-Retirement Benefits | 12 | PAYXAG | 24,869 | 4,929 | 18,342 | 47 | 1,552 | |
| 9 Deferred Compensation Accrual | 12 | PAYXAG | 1,997 | 396 | 1,473 | 4 | 125 | |
| 10 Partnership K-1 Income | 20 | TRTBSE | 1 | 0 | 0 | 0 | 0 | |
| 11 Bad Debt Expense | 5 | TDCS | 245 | - | - | - | 245 | |
| 12 Accretion Expense | 5 | TDCS | 7,283 | - | - | - | 7,283 | |
| 13 Injuries And Damages Accruals | 12 | PAYXAG | 2,693 | 534 | 1,986 | 5 | 168 | |
| 14 Other Reserves (Environ Lab) | 20 | TRTBSE | 404 | 148 | 241 | 10 | 5 | |
| 15 Debt Insurance Cost | 20 | TRTBSE | 23 | 9 | 14 | 1 | 0 | |
| 16 Deferred Revenue | 20 | TRTBSE | (0) | (0) | (0) | (0) | (0) | |
| 17 Income Tax Related Regulatory Asset | 20 | TRTBSE | 157 | 58 | 94 | 4 | 2 | |
| 18 Excess DFIT - Reg Co - Gross Up - Not Protected | 20 | TRTBSE | 19,072 | 6,996 | 11,388 | 472 | 216 | |
| 19 Other Misc DFIT | 20 | TRTBSE | 161,061 | 59,075 | 96,170 | 3,989 | 1,827 | |
| Total Deferred Credits | | | 238,256 | 79,476 | 142,059 | 5,015 | 11,786 | |
| 21 | | | | | | | | |
| 22 Deferred Debits | | | | | | | | |
| 23 MTM - Derivative | 20 | TRTBSE | - | - | - | - | - | |
| 24 | | | | | | | | |
| Total Deferred Debits | | | - | - | - | - | - | |
| 26 | | | | | | | | |
| Total for Account 1900, Accumulated Deferred Income Taxes | | | 238,256 | 79,475.75 | 142,059.35 | 5,015.15 | 11,706.63 | |
| 28 | | | | | | | | |
| 29 | | | | | | | | |
| 30 Account 2820 | | | | | | | | |
| 31 Deferred Credits | | | | | | | | |
| 32 Book/Tax Depreciation | 21 | GPLT | (872,842) | (277,685) | (558,310) | (26,431) | (10,415) | |
| 33 PP&E Permanent Difference | 21 | GPLT | (14,768) | (4,698) | (9,446) | (447) | (176) | |
| 34 Book/Tax Gain/Loss Difference | 21 | GPLT | (1,113) | (354) | (712) | (34) | (13) | |
| 35 481 (a) Adjustment | 21 | GPLT | - | - | - | - | - | |
| 36 ARO | 21 | GPLT | (2,623) | (834) | (1,678) | (79) | (31) | |
| 37 Casualty Loss | 21 | GPLT | (120,513) | (38,340) | (77,086) | (3,649) | (1,438) | |
| 38 Deductible Repairs & Maintenance | 21 | GPLT | (103,006) | (32,770) | (65,887) | (3,119) | (1,229) | |
| 39 Self Developed Software | 21 | GPLT | (24,959) | (7,940) | (15,965) | (756) | (298) | |
| 40 | | | | | | | | |
| Total Deferred Credits | | | (1,139,823) | (362,622) | (729,084) | (34,516) | (13,681) | |
| 42 | | | | | | | | |
| 43 Deferred Debits | | | | | | | | |
| 44 AFUDC - Debt | 21 | GPLT | 1,566 | 498 | 1,002 | 47 | 19 | |
| 45 Include CIAC in Income | 21 | GPLT | 107,374 | 34,160 | 68,681 | 3,251 | 1,281 | |
| 46 | | | | | | | | |
| Total Deferred Debits | | | 108,940 | 34,658 | 69,683 | 3,299 | 1,300 | |
| 48 | | | | | | | | |
| Total for Account 2820, Accumulated Deferred Income Taxes | | | (1,030,883) | (327,964) | (659,401) | (31,217) | (12,381) | |
| 50 | | | | | | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.2 ADFIT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

| Line No | Description | FF # | Functionalization Factors | 1 Monthly Balance | 2 TRAN | 3 DIST | 4 MET | 5 TDCS |
|---------|---|------|---------------------------|----------------------|-----------|------------|----------|-----------|
| 51 | Account 2830 | | | | | | | |
| 52 | Deferred Credits | | | | | | | |
| 54 | Reg Asset - Income Tax | 12 | PAYXAG | (3,926) | (778) | (2,895) | (7) | (245) |
| 55 | Reg Asset - Bad Debt | 12 | PAYXAG | (107) | (21) | (79) | (0) | (7) |
| 56 | Reg Asset - Stranded Costs | 12 | PAYXAG | (283,615) | (56,207) | (209,175) | (534) | (17,700) |
| 57 | Reg Asset - Other | 12 | PAYXAG | (735) | (146) | (542) | (1) | (46) |
| 58 | Reg Asset - Amortization | 12 | PAYXAG | (14,799) | (2,933) | (10,914) | (28) | (924) |
| 59 | Reg Asset - Pension | 12 | PAYXAG | (3,133) | (621) | (2,310) | (6) | (196) |
| 60 | Reg Asset - ARO | 12 | PAYXAG | (5,022) | (995) | (3,704) | (9) | (313) |
| 61 | Other Misc DFIT - FAS 133 | 20 | TRTBSE | (184) | (68) | (110) | (5) | (2) |
| 62 | Other Misc DFIT | 20 | TRTBSE | (161,080) | (59,082) | (96,181) | (3,989) | (1,827) |
| 63 | Total Deferred Credits | | | (477,690) | (120,850) | (325,911) | (4,589) | (21,259) |
| 64 | Deferred Debits | | | | | | | |
| 66 | Reg Asset - Equity | 12 | PAYXAG | 54,868 | 10,874 | 40,467 | 103 | 3,424 |
| 67 | Reg Asset - AMS | 12 | PAYXAG | 361 | 71 | 266 | 1 | 23 |
| 68 | Charitable Contribution Carryover | 20 | TRTBSE | (0) | (0) | (0) | (0) | (0) |
| 69 | EXCESS DFIT - Reg Co - GROSS UP - Protected | 20 | TRTBSE | 161,303 | 59,164 | 96,315 | 3,995 | 1,829 |
| 70 | Total Deferred Debits | | | 216,532 | 70,109 | 137,048 | 4,099 | 5,276 |
| 71 | Total for Account 2830, Accumulated Deferred Income Taxes | | | (256,068) | (50,741) | (188,863) | (401) | (15,982) |
| 72 | Total | | | (1,048,694) | (229,229) | (786,205) | (26,683) | (16,577) |
| 73 | | | | | | | | |
| 74 | | | | | | | | |
| 75 | | | | | | | | |
| 76 | | | | | | | | |
| 77 | | | | | | | | |
| 78 | Description | FF # | Functionalization Factors | Balance at 2/28/2018 | TRAN | DIST | MET | TDCS |
| 79 | Account 1900 | | | | | | | |
| 80 | Deferred Credits | | | | | | | |
| 81 | Regulatory Liabilities (Sales) | 20 | TRTBSE | 9,049 | 3,319 | 5,403 | 224 | 103 |
| 83 | Regulatory Liabilities (Expense) | 20 | TRTBSE | 11,287 | 4,140 | 6,739 | 280 | 128 |
| 84 | Accrued Bonuses | 20 | TRTBSE | 0 | 0 | 0 | 0 | 0 |
| 85 | Benefit Equalization & Saving Plan | 12 | PAYXAG | 36 | 7 | 27 | 0 | 2 |
| 86 | Stock Options Exercised | 12 | PAYXAG | 974 | 193 | 718 | 2 | 61 |
| 87 | Post-Retirement Benefits | 12 | PAYXAG | 24,830 | 4,921 | 18,313 | 47 | 1,550 |
| 88 | Deferred Compensation Accrual | 12 | PAYXAG | 2,008 | 398 | 1,481 | 4 | 125 |
| 89 | Partnership K-1 Income | 20 | TRTBSE | 0 | 0 | 0 | 0 | 0 |
| 90 | Bad Debt Expense | 5 | TDCS | 245 | - | - | - | 245 |
| 91 | Accretion Expense | 5 | TDCS | 7,302 | - | - | - | 7,302 |
| 92 | Injuries And Damages Accruals | 12 | PAYXAG | 2,615 | 518 | 1,928 | 5 | 163 |
| 93 | Other Reserves (Environ Liab) | 20 | TRTBSE | 404 | 148 | 241 | 10 | 5 |
| 94 | Debt Issuance Cost | 20 | TRTBSE | 23 | 8 | 14 | 1 | 0 |
| 95 | Deferred Revenue | 20 | TRTBSE | (0) | (0) | (0) | (0) | (0) |
| 96 | Income Tax Related Regulatory Asset | 20 | TRTBSE | 314 | 115 | 187 | 8 | 4 |
| 97 | Excess DFIT - Reg Co - Gross Up - Not Protected | 20 | TRTBSE | 19,072 | 6,996 | 11,388 | 472 | 216 |
| 98 | Other Misc DFIT | 20 | TRTBSE | 160,824 | 58,989 | 96,029 | 3,983 | 1,824 |
| 99 | Total Deferred Credits | | | 238,983 | 79,752 | 142,468 | 5,034 | 11,727 |
| 100 | Deferred Debits | | | | | | | |
| 101 | MTM - Derivative | 20 | TRTBSE | - | - | - | - | - |
| 102 | Total Deferred Debits | | | - | - | - | - | - |
| 103 | Total for Account 1900, Accumulated Deferred Income Taxes | | | 238,983 | 79,751.90 | 142,468.80 | 5,034.90 | 11,727.25 |
| 104 | | | | | | | | |
| 105 | | | | | | | | |
| 106 | | | | | | | | |
| 107 | | | | | | | | |
| 108 | Account 2820 | | | | | | | |
| 109 | Deferred Credits | | | | | | | |
| 110 | Book/Tax Depreciation | 21 | GPLT | (873,157) | (277,785) | (558,512) | (26,441) | (10,419) |
| 111 | PP&E Permanent Difference | 21 | GPLT | (14,768) | (4,698) | (9,446) | (447) | (176) |
| 112 | Book/Tax Gain/Loss Difference | 21 | GPLT | (2,227) | (708) | (1,424) | (67) | (27) |
| 113 | ARO | 21 | GPLT | - | - | - | - | - |
| 114 | ARO | 21 | GPLT | (2,609) | (830) | (1,669) | (79) | (31) |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.2 ADFTT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 19421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

INHLA

| Line No | Description | FF # | Functionalization Factors | 1 Monthly Balance | 2 TRAN | 3 DIST | 4 MET | 5 TDCS |
|---------|--|------|---------------------------|----------------------|--------------------|---------------------|-----------------|--------------------|
| 116 | Casualty Loss | 21 | GPLT | (120,513) | (38,340) | (77,086) | (3,649) | (1,438) |
| 117 | Deductible Repairs & Maintenance | 21 | GPLT | (104,322) | (33,189) | (66,729) | (3,159) | (1,245) |
| 118 | Self-Developed Software | 21 | GPLT | (24,962) | (7,941) | (15,967) | (756) | (298) |
| 119 | ARAM Amortization | 20 | TRTBSE | (865) | (317) | (516) | (21) | (10) |
| 120 | Other Misc DFIT | 20 | TRTBSE | (865) | (317) | (516) | (21) | (10) |
| 121 | Total Deferred Credits | | | (1,144,286) | (364,126) | (731,865) | (3,641) | (13,653) |
| 122 | | | | | | | | |
| 123 | Deferred Debits | | | | | | | |
| 124 | AFUDC - Debt | 21 | GPLT | 1,686 | 537 | 1,079 | 51 | 20 |
| 125 | Include CIAC in Income | 21 | GPLT | 108,723 | 34,589 | 69,544 | 3,292 | 1,297 |
| 126 | | | | | | | | |
| 127 | Total Deferred Debits | | | 110,409 | 35,126 | 70,623 | 3,343 | 1,317 |
| 128 | | | | | | | | |
| 129 | Total for Account 2828, Accumulated Deferred Income Taxes | | | (1,033,877) | (329,001) | (661,243) | (3,298) | (12,336) |
| 130 | | | | | | | | |
| 131 | | | | | | | | |
| 132 | Account 2830 | | | | | | | |
| 133 | Deferred Credits | | | | | | | |
| 134 | Reg Asset - Income Tax | 12 | PAYXAG | (3,926) | (778) | (2,895) | (7) | (245) |
| 135 | Reg Asset - Bad Debt | 12 | PAYXAG | (107) | (21) | (79) | (0) | (7) |
| 136 | Reg Asset - Stranded Costs | 12 | PAYXAG | (275,571) | (54,612) | (203,242) | (519) | (17,198) |
| 137 | Reg Asset - Other | 12 | PAYXAG | (752) | (149) | (555) | (1) | (47) |
| 138 | Reg Asset - Amortization | 12 | PAYXAG | (14,696) | (2,912) | (10,839) | (28) | (917) |
| 139 | Reg Asset - Pension | 12 | PAYXAG | (3,225) | (639) | (2,379) | (6) | (201) |
| 140 | Reg Asset - ARO | 12 | PAYXAG | (5,054) | (1,002) | (3,727) | (10) | (315) |
| 141 | Other Misc DFIT - FAS 133 | 20 | TRTBSE | (1,276) | (468) | (762) | (32) | (14) |
| 142 | Other Misc DFIT | 20 | TRTBSE | (159,987) | (58,682) | (95,529) | (3,962) | (1,814) |
| 143 | Total Deferred Credits | | | (461,594) | (112,263) | (320,806) | (4,565) | (20,759) |
| 144 | | | | | | | | |
| 145 | Deferred Debits | | | | | | | |
| 146 | Reg Asset - Equity | 12 | PAYXAG | 53,722 | 10,647 | 39,621 | 101 | 3,353 |
| 147 | Reg Asset - AMS | 12 | PAYXAG | 361 | 71 | 266 | 1 | 23 |
| 148 | Charitable Contribution Carryover | 20 | TRTBSE | (0) | (0) | (0) | (0) | (0) |
| 149 | EXCESS DFIT - Reg Co - GROSS UP - Protected | 20 | TRTBSE | 161,303 | 59,164 | 96,315 | 3,995 | 1,829 |
| 150 | | | | | | | | |
| 151 | Total Deferred Debits | | | 215,386 | 69,882 | 136,202 | 4,097 | 5,205 |
| 152 | | | | | | | | |
| 153 | Total for Account 2830, Accumulated Deferred Income Taxes | | | (249,208) | (49,381.26) | (183,804.19) | (468.40) | (15,554.37) |
| 154 | | | | | | | | |
| 155 | Total | | | (1,844,192) | (298,630) | (792,578) | (26,732) | (16,163) |
| 156 | | | | | | | | |
| 157 | | | | | | | | |
| 158 | Description | FF # | Functionalization Factors | Balance at 3/31/2018 | TRAN | DIST | MET | TDCS |
| 159 | | | | | | | | |
| 160 | | | | | | | | |
| 161 | Account 1900 | | | | | | | |
| 162 | Deferred Credits | | | | | | | |
| 163 | Regulatory Liabilities (Sales) | 20 | TRTBSE | 8,296 | 3,043 | 4,954 | 205 | 94 |
| 164 | Regulatory Liabilities (Expense) | 20 | TRTBSE | 11,152 | 4,090 | 6,659 | 276 | 126 |
| 165 | Accrued Bonuses | 20 | TRTBSE | 0 | 0 | 0 | 0 | 0 |
| 166 | Benefit Equalization & Savings Plan | 12 | PAYXAG | 45 | 9 | 33 | 0 | 3 |
| 167 | Stock Options Exercised | 12 | PAYXAG | 785 | 156 | 579 | 1 | 49 |
| 168 | Post-Retirement Benefits | 12 | PAYXAG | 24,816 | 4,918 | 18,303 | 47 | 1,549 |
| 169 | Deferred Compensation Accrual | 12 | PAYXAG | 2,031 | 403 | 1,498 | 4 | 127 |
| 170 | Partnership K-1 Income | 20 | TRTBSE | 0 | 0 | 0 | 0 | 0 |
| 171 | Bad Debt Expense | 5 | TDCS | 245 | - | - | - | 245 |
| 172 | Accretion Expense | 5 | TDCS | 7,320 | - | - | - | 7,320 |
| 173 | Injuries And Damages Accruals | 12 | PAYXAG | 2,698 | 535 | 1,990 | 5 | 168 |
| 174 | Other Reserves (Environ Liab) | 20 | TRTBSE | 404 | 148 | 241 | 10 | 5 |
| 175 | Debt Issuance Cost | 20 | TRTBSE | 23 | 8 | 14 | 1 | 0 |
| 176 | Deferred Revenue | 20 | TRTBSE | (0) | (0) | (0) | (0) | (0) |
| 177 | FAS 158 Re-Measurement Rate Diff Adjustment | 20 | TRTBSE | 3 | 1 | 2 | 0 | 0 |
| 178 | Excess DFIT - Gross Up - Fed (FERC 190) | 20 | TRTBSE | 201,901 | 74,055 | 120,556 | 5,000 | 2,290 |
| 179 | Other Misc DFIT | 20 | TRTBSE | (62) | (23) | (37) | (2) | (1) |
| 180 | Total Deferred Credits | | | 259,659 | 87,344 | 154,792 | 5,549 | 11,978 |

IRJL3

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
ILE-3.5.2 ADPT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49431
SPONSOR: C. PRINGLE
(Thousands of Dollars)

| Line No | Description | FF # | Functionalization Factors | 1 | 2 | 3 | 4 | 5 |
|---------|--|------|---------------------------|-----------------|-------------|--------------|-------------|-------------|
| | | | | Monthly Balance | TRAN | DIST | MET | TDCS |
| 181 | Deferred Debits | | | | | | | |
| 182 | MTM - Derivative | 20 | TRTSE | | | | | |
| 183 | | | | | | | | |
| 184 | | | | | | | | |
| 185 | Total Deferred Debits | | | | | | | |
| 186 | | | | | | | | |
| 187 | Total for Account 1900, Accumulated Deferred Income Taxes | | | 259,659 | 87,345.65 | 154,791.68 | 5,448.53 | 11,975.29 |
| 188 | | | | | | | | |
| 189 | | | | | | | | |
| 190 | Account 2820 | | | | | | | |
| 191 | Deferred Credits | | | | | | | |
| 192 | Book/Tax Depreciation | 21 | GPLT | (874,961) | (278,359) | (359,666) | (26,495) | (10,440) |
| 193 | PP&E Permanent Difference | 21 | GPLT | (15,167) | (4,825) | (9,701) | (459) | (181) |
| 194 | Book/Tax Goodwill Difference | 21 | GPLT | (3,340) | (1,063) | (2,136) | (101) | (40) |
| 195 | 481 (a) Adjustment | 21 | GPLT | | | | | |
| 196 | AKO | 21 | GPLT | (2,595) | (823) | (1,660) | (79) | (31) |
| 197 | Goodwill Loss | 21 | GPLT | (120,313) | (38,400) | (77,666) | (3,199) | (1,144) |
| 198 | Goodwill Impairment | 21 | GPLT | (33,600) | (10,200) | (21,200) | (808) | (303) |
| 199 | Self-Developed Software | 21 | GPLT | (25,023) | (7,961) | (16,007) | (758) | (289) |
| 200 | | | | | | | | |
| 201 | Total Deferred Credits | | | (1,477,239) | (564,961) | (733,878) | (54,740) | (13,699) |
| 202 | | | | | | | | |
| 203 | Deferred Debits | | | | | | | |
| 204 | AFUDC - Debt | 21 | GPLT | 1,779 | 566 | 1,138 | 54 | 21 |
| 205 | Include CIAC in Income | 21 | GPLT | 110,072 | 35,018 | 70,407 | 3,333 | 1,313 |
| 206 | | | | | | | | |
| 207 | Total Deferred Debits | | | 111,851 | 35,584 | 71,545 | 3,387 | 1,335 |
| 208 | | | | | | | | |
| 209 | Total for Account 2820, Accumulated Deferred Income Taxes | | | (1,365,388) | (529,377) | (662,333) | (51,353) | (12,365) |
| 210 | | | | | | | | |
| 211 | Account 2830 | | | | | | | |
| 212 | Deferred Credits | | | | | | | |
| 213 | Reg Asset - Income Tax | 12 | PAYXAG | (4,035) | (800) | (2,976) | (8) | (232) |
| 214 | Reg Asset - Bad Debt | 12 | PAYXAG | (107) | (21) | (79) | (0) | (7) |
| 215 | Reg Asset - Standard Costs | 12 | PAYXAG | (266,233) | (52,766) | (196,369) | (501) | (16,616) |
| 216 | Reg Asset - Other | 12 | PAYXAG | (779) | (154) | (573) | (1) | (49) |
| 217 | Reg Asset - Amortization | 12 | PAYXAG | (15,198) | (3,019) | (11,509) | (28) | (943) |
| 218 | Reg Asset - Goodwill | 12 | PAYXAG | (6,552) | (1,310) | (5,251) | (6) | (213) |
| 219 | Reg Asset - AKO | 12 | PAYXAG | (3,066) | (1,008) | (1,325) | (10) | (317) |
| 220 | Excess DFT - Ones Up - FED (FERC 283) | 20 | TRTSE | (27,222) | (10,148) | (16,553) | (687) | (314) |
| 221 | Other Nine DFT - FAS 133 | 20 | TRTSE | (1,250) | (438) | (746) | (31) | (14) |
| 222 | | | | | | | | |
| 223 | Total Deferred Credits | | | (324,839) | (69,643) | (234,772) | (1,477) | (18,739) |
| 224 | | | | | | | | |
| 225 | Deferred Debits | | | | | | | |
| 226 | Reg Asset - Equity | 12 | PAYXAG | 52,456 | 10,396 | 34,688 | 99 | 3,274 |
| 227 | Reg Asset - AMS | 12 | PAYXAG | 361 | 71 | 266 | 1 | 23 |
| 228 | Reg Asset - Commission Carryover | 20 | TRTSE | 14 | 53 | 87 | 0 | 0 |
| 229 | Other Nine DFT - FAS 133 | 20 | TRTSE | 52,962 | 18,531 | 39,041 | 103 | 3,278 |
| 230 | | | | | | | | |
| 231 | Total Deferred Debits | | | (718,750) | (54,542.38) | (195,731.22) | (11,697.50) | (15,432.56) |
| 232 | | | | | | | | |
| 233 | Total for Account 2830, Accumulated Deferred Income Taxes | | | (1,086,689) | (390,596) | (708,222) | (26,975) | (15,812) |
| 234 | | | | | | | | |
| 235 | | | | | | | | |
| 236 | | | | | | | | |
| 237 | Total | | | | | | | |
| 238 | | | | | | | | |
| 239 | Account 1900 | | | | | | | |
| 240 | Deferred Credits | | | | | | | |
| 241 | Regulatory Liabilities (Sales) | 20 | TRTSE | 7,759 | 2,835 | 4,615 | 191 | 88 |
| 242 | Regulatory Liabilities (Expense) | 20 | TRTSE | 10,820 | 3,569 | 6,461 | 268 | 123 |
| 243 | | | | | | | | |
| 244 | Accrued Revenues | 20 | TRTSE | 0 | 0 | 0 | 0 | 0 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.2 ADDIT - MONTHLY
TEST YEAR ENDED 12/31/2018
BOOKLET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

IN 11-2

| Line No. | Description | FF # | Functionalization Factors | 1 Monthly Balance | 2 TRAN | 3 DIST | 4 MET | 5 TDCS |
|----------|--|------|---------------------------|----------------------|------------------|------------------|-----------------|-----------------|
| 245 | Benefit Equalization & Savings Plan | 12 | PAYXAG | 45 | 9 | 33 | 0 | 3 |
| 246 | Stock Options Exercised | 12 | PAYXAG | 785 | 156 | 579 | 1 | 49 |
| 247 | Post-Retirement Benefits | 12 | PAYXAG | 24,796 | 4,914 | 18,288 | 47 | 1,547 |
| 248 | Deferred Compensation Accrual | 12 | PAYXAG | 2,019 | 400 | 1,489 | 4 | 126 |
| 249 | Partnership K-1 Income | 20 | TRTBSE | 0 | 0 | 0 | 0 | 0 |
| 250 | Accretion Expense | 5 | TDCS | 245 | - | - | - | 245 |
| 251 | Discontinued Operations Activity | 5 | TDCS | 7,338 | - | - | - | 7,338 |
| 252 | Other Reserves (Environ Liab) | 20 | TRTBSE | 2,692 | 988 | 1,608 | 67 | 31 |
| 253 | Amort Of Loss On Recaptured Debt | 20 | TRTBSE | 404 | 148 | 241 | 10 | 5 |
| 254 | Accrued Revenue | 20 | TRTBSE | 23 | 8 | 14 | 1 | 0 |
| 255 | FAS 158 Re-Measurement Rate Diff Adjustment | 20 | TRTBSE | 3,750 | 1,375 | 2,239 | 93 | 43 |
| 256 | Excess DFTT - Gross Up - Fed (FERC 190) | 20 | TRTBSE | 3 | 1 | 2 | 0 | 0 |
| 257 | Other Misc DFTT | 20 | TRTBSE | 198,094 | 72,659 | 118,282 | 4,906 | 2,247 |
| 258 | Total Deferred Credits | | | 258,745 | 87,462 | 153,852 | 5,588 | 11,844 |
| 259 | Deferred Debits | | | | | | | |
| 260 | MTM - Derivative | 20 | TRTBSE | - | - | - | - | - |
| 261 | | | | | | | | |
| 262 | Total Deferred Debits | | | | | | | |
| 263 | | | | | | | | |
| 264 | Total for Account 1906, Accumulated Deferred Income Taxes | | | 258,745 | 87,462 | 153,852 | 5,588 | 11,844 |
| 265 | | | | | | | | |
| 266 | | | | | | | | |
| 267 | Account 2820 | | | | | | | |
| 268 | Deferred Credits | | | | | | | |
| 269 | Book/Tax Depreciation | 21 | GPLT | (875,287) | (278,463) | (559,875) | (26,505) | (10,444) |
| 270 | PP&E Permanent Difference | 21 | GPLT | (15,167) | (4,825) | (9,701) | (459) | (181) |
| 271 | Book/Tax Gain/Loss Difference | 21 | GPLT | (4,453) | (1,417) | (2,848) | (135) | (53) |
| 272 | 481 (a) Adjustment | 21 | GPLT | - | - | - | - | - |
| 273 | ARO | 21 | GPLT | (2,581) | (821) | (1,651) | (78) | (31) |
| 274 | Casualty Loss | 21 | GPLT | (120,513) | (38,540) | (77,086) | (3,649) | (1,438) |
| 275 | Deductible Repairs & Maintenance | 21 | GPLT | (106,955) | (34,027) | (68,414) | (3,239) | (1,276) |
| 276 | Self-Developed Software | 21 | GPLT | (25,050) | (7,969) | (16,023) | (759) | (299) |
| 277 | | | | | | | | |
| 278 | Total Deferred Credits | | | (1,158,006) | (365,862) | (735,596) | (24,824) | (13,722) |
| 279 | Deferred Debits | | | | | | | |
| 280 | AFUDC - Debt | 21 | GPLT | 1,890 | 601 | 1,209 | 57 | 23 |
| 281 | Include CIAC In Income | 21 | GPLT | 111,421 | 35,447 | 71,270 | 3,374 | 1,330 |
| 282 | | | | | | | | |
| 283 | Total Deferred Debits | | | 113,311 | 36,049 | 72,479 | 3,431 | 1,352 |
| 284 | | | | | | | | |
| 285 | Total for Account 2820, Accumulated Deferred Income Taxes | | | (1,036,695) | (329,813) | (663,119) | (31,393) | (12,370) |
| 286 | | | | | | | | |
| 287 | | | | | | | | |
| 288 | Account 2830 | | | | | | | |
| 289 | Deferred Credits | | | | | | | |
| 290 | Reg Asset - Income Tax | 12 | PAYXAG | (4,035) | (800) | (2,976) | (8) | (252) |
| 291 | Reg Asset - Bad Debt | 12 | PAYXAG | (107) | (21) | (79) | (0) | (7) |
| 292 | Reg Asset - Stranded Costs | 12 | PAYXAG | (257,645) | (51,060) | (190,021) | (485) | (16,079) |
| 293 | Reg Asset - Other | 12 | PAYXAG | (875) | (173) | (646) | (2) | (55) |
| 294 | Reg Asset - Amortization | 12 | PAYXAG | (15,083) | (2,989) | (11,124) | (28) | (941) |
| 295 | Reg Asset - Pension | 12 | PAYXAG | (3,501) | (694) | (2,582) | (7) | (218) |
| 296 | Reg Asset - ARO | 12 | PAYXAG | (5,118) | (1,014) | (3,775) | (10) | (319) |
| 297 | Excess DFTT - Gross Up - FED (FERC 283) | 20 | TRTBSE | 201,901 | 74,055 | 120,556 | 5,000 | 2,290 |
| 298 | Other Misc DFTT - FAS 133 | 20 | TRTBSE | (1,250) | (458) | (746) | (31) | (14) |
| 299 | Other Misc DFTT | 20 | TRTBSE | (201,740) | (73,996) | (120,459) | (4,997) | (2,288) |
| 300 | Total Deferred Credits | | | (287,452) | (57,151) | (211,852) | (566) | (17,883) |
| 301 | Deferred Debits | | | | | | | |
| 302 | Reg Asset - Equity | 12 | PAYXAG | 51,216 | 10,150 | 37,773 | 96 | 3,196 |
| 303 | Reg Asset - AMS | 12 | PAYXAG | 361 | 71 | 266 | 1 | 23 |
| 304 | EXCESS DFTT - Reg Co - GROSS UP - Protected | 20 | TRTBSE | (27,722) | (10,168) | (16,553) | (687) | (314) |
| 305 | | | | | | | | |
| 306 | Total Deferred Debits | | | 23,855 | 53 | 21,487 | (589) | 2,904 |
| 307 | | | | | | | | |
| 308 | | | | | | | | |
| 309 | | | | | | | | |
| 310 | | | | | | | | |

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E.3.2.2 ADIT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

| Line No. | Description | FF # | Functionalization Prefix | Monthly Balance | 2 | 3 | 4 | 5 |
|----------|---|------|--------------------------|-----------------|-------------|--------------|------------|-------------|
| | | | | | TRAN | DIST | MET | TDCS |
| 311 | Total for Account 2830, Accumulated Deferred Income Taxes | | | (263,697) | (57,071.18) | (190,365.26) | (1,155.69) | (14,979.12) |
| 312 | | | | | | | | |
| 313 | | | | | | | | |
| 314 | | | | | | | | |
| 315 | | | | | | | | |
| 316 | | | | | | | | |
| 317 | | | | | | | | |
| 318 | Account 1900 | | | | | | | |
| 319 | Deferred Credits | | | | | | | |
| 320 | Regulatory Liabilities (Sales) | 20 | TRTBS | 9,076 | 3,311 | 5,390 | 224 | 102 |
| 321 | Regulatory Liabilities (Expenses) | 20 | TRTBS | 10,512 | 3,856 | 6,277 | 260 | 119 |
| 322 | Accrued Expenses | 20 | TRTBS | 0 | 0 | 0 | 0 | 0 |
| 323 | Benefit Equalization & Savings Plan | 12 | PAYXAG | 45 | 9 | 33 | 0 | 3 |
| 324 | Stock Options Exercised | 12 | PAYXAG | 785 | 156 | 579 | 1 | 49 |
| 325 | Post Retirement Benefits | 12 | PAYXAG | 24,758 | 4,906 | 18,239 | 47 | 1,545 |
| 326 | Deferred Compensation Accrual | 12 | PAYXAG | 2,030 | 402 | 1,497 | 4 | 127 |
| 327 | Partnership K-1 Income | 20 | TRTBS | 0 | 0 | 0 | 0 | 0 |
| 328 | Real Estate Expense | 5 | TDCS | 245 | - | - | - | 245 |
| 329 | Amortization Expense | 5 | TDCS | 7,256 | - | - | - | 7,256 |
| 330 | Injuries And Damages Accruals | 12 | PAYXAG | 2,720 | 539 | 2,006 | 5 | 170 |
| 331 | Other Reserves (Earmark Link) | 20 | TRTBS | 404 | 148 | 241 | 10 | 5 |
| 332 | Debt Issuance Cost | 20 | TRTBS | 23 | 8 | 14 | 1 | 0 |
| 333 | Deferred Revenue | 20 | TRTBS | (0) | (0) | (0) | (0) | (0) |
| 334 | ADAM Amortization | 20 | TRTBS | 3,750 | 1,375 | 2,239 | 93 | 43 |
| 335 | FAS 158 Re-Measurement Rate Diff Adjustment | 20 | TRTBS | 3 | 1 | 2 | 0 | 0 |
| 336 | Excess DIT - Gross Up - Fed (FERC 190) | 20 | TRTBS | 201,901 | 74,035 | 120,556 | 5,000 | 2,290 |
| 337 | Other New DIT | 20 | TRTBS | (67) | (25) | (40) | (2) | (1) |
| 338 | Total Deferred Credits | | | 263,697 | 89,732 | 157,653 | 5,643 | 12,053 |
| 339 | Deferred Debits | | | | | | | |
| 340 | MTM - Derivative | 20 | TRTBS | - | - | - | - | - |
| 341 | | | | | | | | |
| 342 | Total Deferred Debits | | | | | | | |
| 343 | | | | | | | | |
| 344 | | | | | | | | |
| 345 | Total for Account 1900, Accumulated Deferred Income Taxes | | | 263,697 | 89,732 | 157,653 | 5,643 | 12,053 |
| 346 | | | | | | | | |
| 347 | Account 2830 | | | | | | | |
| 348 | Deferred Credits | | | | | | | |
| 349 | Goodwill Depreciation | 21 | GPLT | (875,740) | (278,607) | (560,164) | (26,319) | (10,490) |
| 350 | Goodwill Impairment | 21 | GPLT | (15,167) | (4,825) | (3,701) | (499) | (181) |
| 351 | Goodwill Impairment Difference | 21 | GPLT | (3,566) | (1,771) | (3,501) | (169) | (66) |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.2 ADFTT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 48421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

INFO.2

| Line No | Description | FF # | Functionalization Factors | 1 Monthly Balance | 2 TRAN | 3 DIST | 4 MET | 5 TDCS |
|---------|--|------|---------------------------|----------------------|------------------|------------------|-----------------|-----------------|
| 352 | 481 (a) Adjustment | 21 | GPLT | - | - | - | - | - |
| 353 | ARO | 21 | GPLT | (2,567) | (817) | (1,642) | (78) | (31) |
| 354 | Cannily Loss | 21 | GPLT | (120,513) | (38,340) | (77,086) | (3,649) | (1,438) |
| 355 | Deductible Repairs & Maintenance | 21 | GPLT | (108,272) | (34,445) | (69,256) | (3,279) | (1,292) |
| 356 | Self Developed Software | 21 | GPLT | (25,485) | (8,108) | (16,302) | (772) | (304) |
| 357 | | | | | | | | |
| 358 | Total Deferred Credits | | | (1,153,310) | (366,913) | (737,711) | (34,924) | (13,762) |
| 359 | | | | | | | | |
| 360 | Deferred Debits | | | | | | | |
| 361 | AFUDC - Debt | 21 | GPLT | 2,002 | 637 | 1,280 | 61 | 24 |
| 362 | Include CIAC in Income | 21 | GPLT | 112,769 | 35,876 | 72,133 | 1,415 | 1,346 |
| 363 | | | | | | | | |
| 364 | Total Deferred Debits | | | 114,771 | 36,513 | 73,413 | 3,475 | 1,369 |
| 365 | | | | | | | | |
| 366 | Total for Account 2820, Accumulated Deferred Income Taxes | | | (1,038,539) | (330,400) | (664,298) | (31,449) | (12,392) |
| 367 | | | | | | | | |
| 368 | | | | | | | | |
| 369 | Account 2830 | | | | | | | |
| 370 | Deferred Credits | | | | | | | |
| 371 | Reg Asset - Income Tax | 12 | PAYXAG | (4,035) | (800) | (2,976) | (8) | (252) |
| 372 | Reg Asset - Bad Debt | 12 | PAYXAG | (107) | (21) | (79) | (0) | (7) |
| 373 | Reg Asset - Stranded Costs | 12 | PAYXAG | (245,290) | (48,611) | (180,909) | (462) | (15,308) |
| 374 | Reg Asset - Other | 12 | PAYXAG | (929) | (184) | (686) | (2) | (58) |
| 375 | Reg Asset - Amortization | 12 | PAYXAG | (14,987) | (2,970) | (11,053) | (28) | (935) |
| 376 | Reg Asset - Pension | 12 | PAYXAG | (3,593) | (712) | (2,650) | (7) | (224) |
| 377 | Reg Asset - ARO | 12 | PAYXAG | (5,150) | (1,021) | (3,798) | (10) | (321) |
| 378 | Excess DFIT - Gross Up - FED (FERC 283) | 20 | TRTBSE | (27,722) | (10,168) | (16,553) | (687) | (314) |
| 379 | Other Misc DFIT - FAS 133 | 20 | TRTBSE | (1,250) | (458) | (746) | (31) | (14) |
| 380 | Other Misc DFIT | 20 | TRTBSE | (3,562) | (1,307) | (2,127) | (88) | (40) |
| 381 | Total Deferred Credits | | | (306,626) | (66,251) | (231,577) | (1,322) | (17,474) |
| 382 | | | | | | | | |
| 383 | Deferred Debits | | | | | | | |
| 384 | Reg Asset - Equity | 12 | PAYXAG | 49,471 | 9,804 | 36,486 | 93 | 3,087 |
| 385 | Reg Asset - AMS | 12 | PAYXAG | 361 | 71 | 266 | 1 | 23 |
| 386 | Charitable Contribution Carryover | 20 | TRTBSE | (0) | (0) | (0) | (0) | (0) |
| 387 | | | | | | | | |
| 388 | Total Deferred Debits | | | 49,832 | 9,876 | 36,752 | 94 | 3,110 |
| 389 | | | | | | | | |
| 390 | Total for Account 2830, Accumulated Deferred Income Taxes | | | (256,794) | (56,377) | (184,825) | (1,228) | (14,364) |
| 391 | | | | | | | | |
| 392 | Total | | | (1,031,840) | (298,034) | (692,070) | (27,053) | (14,704) |
| 393 | | | | | | | | |
| 394 | | | | | | | | |
| 395 | Description | FF # | Functionalization Factors | Balance at 6/30/2018 | TRAN | DIST | MET | TDCS |
| 396 | | | | | | | | |
| 397 | Account 1909 | | | | | | | |
| 398 | Deferred Credits | | | | | | | |
| 399 | Regulatory Liabilities (Sales) | 20 | TRTBSE | 10,858 | 3,982 | 6,483 | 269 | 123 |
| 400 | Regulatory Liabilities (Expense) | 20 | TRTBSE | 10,316 | 3,784 | 6,160 | 256 | 117 |
| 401 | Accrued Bonuses | 20 | TRTBSE | 0 | 0 | 0 | 0 | 0 |
| 402 | Benefit Equalization & Saving Plan | 12 | PAYXAG | 47 | 9 | 34 | 0 | 3 |
| 403 | Stock Options Exercised | 12 | PAYXAG | 865 | 172 | 638 | 2 | 54 |
| 404 | Post-Retirement Benefits | 12 | PAYXAG | 24,713 | 4,898 | 18,227 | 47 | 1,542 |
| 405 | Deferred Compensation Accrued | 12 | PAYXAG | 2,039 | 404 | 1,504 | 4 | 127 |
| 406 | Partnership K-1 Income | 20 | TRTBSE | 0 | 0 | 0 | 0 | 0 |
| 407 | Bad Debt Expense | 5 | TDCS | 245 | - | - | - | 245 |
| 408 | Accretion Expense | 5 | TDCS | 7,375 | - | - | - | 7,375 |
| 409 | Injuries And Damages Accruals | 12 | PAYXAG | 2,814 | 558 | 2,076 | 5 | 176 |
| 410 | Other Reserves (Environ Liab) | 20 | TRTBSE | 404 | 148 | 241 | 10 | 5 |
| 411 | Debt Insurance Cost | 20 | TRTBSE | 23 | 8 | 14 | 1 | 0 |
| 412 | Deferred Revenue | 20 | TRTBSE | (0) | (0) | (0) | (0) | (0) |
| 413 | FAS 158 Re-Measurement Rate Diff Adjustment | 20 | TRTBSE | 3 | 1 | 2 | 0 | 0 |
| 414 | Excess DFIT - Gross Up - Fed (FERC 190) | 20 | TRTBSE | 201,667 | 73,969 | 120,416 | 4,995 | 2,287 |
| 415 | Other Misc DFIT | 20 | TRTBSE | (81) | (30) | (48) | (2) | (1) |
| 416 | Total Deferred Credits | | | 261,282 | 87,204 | 155,747 | 5,585 | 12,853 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.2 ADPTT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

INDEX

| Lane No | Description | FF # | Functionalization Factors | 1 Monthly Balance | 2 TRAN | 3 DIST | 4 MET | 5 TDCS |
|---------|---|------|---------------------------|----------------------|-----------|------------|----------|-----------|
| 417 | | | | | | | | |
| 418 | Deferred Debits | | | | | | | |
| 419 | MTM-Derivative | 20 | TRTBSE | - | - | - | - | - |
| 420 | | | | | | | | |
| 421 | Total Deferred Debits | | | | | | | |
| 422 | | | | | | | | |
| 423 | Total for Account 1906, Accumulated Deferred Income Taxes | | | 261,289 | 87,903.99 | 155,746.70 | 5,585.18 | 12,053.24 |
| 424 | | | | | | | | |
| 425 | | | | | | | | |
| 426 | Account 2820 | | | | | | | |
| 427 | Deferred Credits | | | | | | | |
| 428 | Book/Tax Depreciation | 21 | GPLT | (883,700) | (281,139) | (565,256) | (26,760) | (10,545) |
| 429 | PP&E Permanent Difference | 21 | GPLT | (15,525) | (4,939) | (9,931) | (470) | (185) |
| 430 | Book/Tax Gain/Loss Difference | 21 | GPLT | (6,570) | (2,090) | (4,203) | (199) | (78) |
| 431 | 481 (a) Adjustment | 21 | GPLT | - | - | - | - | - |
| 432 | ARO | 21 | GPLT | (2,553) | (812) | (1,633) | (77) | (30) |
| 433 | Casualty Loss | 21 | GPLT | (120,513) | (38,340) | (77,086) | (3,649) | (1,438) |
| 434 | Deductible Repairs & Maintenance | 21 | GPLT | (109,588) | (34,864) | (70,098) | (3,319) | (1,308) |
| 435 | Self Developed Software | 21 | GPLT | (26,532) | (8,441) | (16,971) | (803) | (317) |
| 436 | | | | | | | | |
| 437 | Total Deferred Credits | | | (1,164,981) | (378,626) | (745,177) | (35,278) | (13,901) |
| 438 | | | | | | | | |
| 439 | Deferred Debits | | | | | | | |
| 440 | AFUDC - Debt | 21 | GPLT | 2,043 | 650 | 1,307 | 62 | 24 |
| 441 | Include CIAC In Income | 21 | GPLT | 114,118 | 36,306 | 72,995 | 3,456 | 1,362 |
| 442 | | | | | | | | |
| 443 | Total Deferred Debits | | | 116,162 | 36,956 | 74,302 | 3,518 | 1,386 |
| 444 | | | | | | | | |
| 445 | Total for Account 2820, Accumulated Deferred Income Taxes | | | (1,048,819) | (333,670) | (670,874) | (31,760) | (12,515) |
| 446 | | | | | | | | |
| 447 | | | | | | | | |
| 448 | Account 2830 | | | | | | | |
| 449 | Deferred Credits | | | | | | | |
| 450 | Reg Asset - Income Tax | 12 | PAYXAG | (4,134) | (819) | (3,049) | (8) | (258) |
| 451 | Reg Asset - Bad Debt | 12 | PAYXAG | (107) | (21) | (79) | (0) | (7) |
| 452 | Reg Asset - Stranded Costs | 12 | PAYXAG | (233,861) | (46,347) | (172,480) | (440) | (14,595) |
| 453 | Reg Asset - Other | 12 | PAYXAG | (1,043) | (207) | (769) | (2) | (65) |
| 454 | Reg Asset - Amortization | 12 | PAYXAG | (14,982) | (2,969) | (11,050) | (28) | (935) |
| 455 | Reg Asset - Pension | 12 | PAYXAG | (3,776) | (748) | (2,785) | (7) | (236) |
| 456 | Reg Asset - ARO | 12 | PAYXAG | (5,183) | (1,027) | (3,822) | (10) | (323) |
| 457 | Excess DFIT - Orono Up - FED (FERC 283) | 20 | TRTBSE | (27,722) | (10,158) | (16,553) | (687) | (314) |
| 458 | Other Misc DFIT - FAS 133 | 20 | TRTBSE | (1,237) | (454) | (739) | (31) | (14) |
| 459 | | | | | | | | |
| 460 | Total Deferred Credits | | | (292,845) | (62,769) | (211,326) | (1,213) | (16,747) |
| 461 | | | | | | | | |
| 462 | Deferred Debits | | | | | | | |
| 463 | Reg Asset - Equity | 12 | PAYXAG | 47,990 | 9,511 | 35,394 | 90 | 2,995 |
| 464 | Reg Asset - AMS | 12 | PAYXAG | 361 | 71 | 266 | 1 | 23 |
| 465 | Charitable Contribution Carryover | 20 | TRTBSE | (0) | (0) | (0) | (0) | (0) |
| 466 | Other Misc DFIT | 20 | TRTBSE | 65 | 24 | 39 | 2 | 1 |
| 467 | Total Deferred Debits | | | 48,416 | 9,606 | 35,699 | 93 | 3,019 |
| 468 | | | | | | | | |
| 469 | Total for Account 2830, Accumulated Deferred Income Taxes | | | (243,629) | (53,154) | (175,626) | (1,120) | (13,729) |
| 470 | | | | | | | | |
| 471 | Total | | | (1,031,192) | (298,920) | (699,754) | (27,295) | (14,190) |
| 472 | | | | | | | | |
| 473 | | | | | | | | |
| 474 | | | | | | | | |
| 475 | Description | FF # | Functionalization Factors | Balance at 7/31/2018 | TRAN | DIST | MET | TDCS |
| 476 | Account 1906 | | | | | | | |
| 477 | Deferred Credits | | | | | | | |
| 478 | Regulatory Liabilities (Sales) | 20 | TRTBSE | 13,383 | 4,909 | 7,991 | 331 | 152 |
| 479 | Regulatory Liabilities (Expense) | 20 | TRTBSE | 10,072 | 3,694 | 6,014 | 249 | 114 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.2 ADFTT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

INCL

| Line No | Description | FF # | Functionalization Factors | 1 Monthly Balance | 2 TRAN | 3 DIST | 4 MET | 5 TDCS |
|---------|--|------|---------------------------|----------------------|------------------|-------------------|-----------------|------------------|
| 481 | Accrued Bonuses | 20 | TRTBSE | - | - | - | - | - |
| 482 | Benefit Equalization & Savings Plan | 12 | PAYXAG | 47 | 9 | 34 | 0 | 3 |
| 483 | Stock Options Exercised | 12 | PAYXAG | 865 | 172 | 638 | 2 | 54 |
| 484 | Post-Retirement Benefits | 12 | PAYXAG | 24,675 | 4,890 | 18,199 | 46 | 1,540 |
| 485 | Deferred Compensation Accrual | 12 | PAYXAG | 2,028 | 402 | 1,496 | 4 | 127 |
| 486 | Partnership K-1 Income | 20 | TRTBSE | 0 | 0 | 0 | 0 | 0 |
| 487 | Bad Debt Expense | 5 | TDCS | 245 | - | - | - | 245 |
| 488 | Accretion Expense | 5 | TDCS | 7,393 | - | - | - | 7,393 |
| 489 | Injuries And Damages Accruals | 12 | PAYXAG | 3,262 | 647 | 2,406 | 6 | 204 |
| 490 | Other Reserves (Environ Liab) | 20 | TRTBSE | 404 | 148 | 241 | 10 | 5 |
| 491 | Debt Issuance Cost | 20 | TRTBSE | 23 | 8 | 14 | 1 | 0 |
| 492 | Deferred Revenue | 20 | TRTBSE | (0) | (0) | (0) | (0) | (0) |
| 493 | FAS 158 Re-Measurement Rate Diff Adjustment | 20 | TRTBSE | 3 | 1 | 2 | 0 | 0 |
| 494 | Excess DFIT - Gross Up - Fed (FERC 190) | 20 | TRTBSE | 201,556 | 73,928 | 120,330 | 4,992 | 2,286 |
| 495 | Other Misc DFIT | 20 | TRTBSE | (99) | (36) | (59) | (2) | (1) |
| 496 | Total Deferred Credits | | | 263,858 | 89,772 | 157,326 | 5,639 | 12,121 |
| 497 | | | | | | | | |
| 498 | Deferred Debits | | | | | | | |
| 499 | MTM - Derivative | 20 | TRTBSE | - | - | - | - | - |
| 500 | | | | | | | | |
| 501 | Total Deferred Debits | | | | | | | |
| 502 | | | | | | | | |
| 503 | Total for Account 1900, Accumulated Deferred Income Taxes | | | 263,858 | 89,772.09 | 157,325.54 | 5,639.20 | 12,120.93 |
| 504 | | | | | | | | |
| 505 | | | | | | | | |
| 506 | Account 2820 | | | | | | | |
| 507 | Deferred Credits | | | | | | | |
| 508 | Book/Tax Depreciation | 21 | GPLT | (876,954) | (278,993) | (560,941) | (26,556) | (10,464) |
| 509 | PP&E Permanent Difference | 21 | GPLT | (15,525) | (4,939) | (9,931) | (470) | (185) |
| 510 | Book/Tax Gain/Loss Difference | 21 | GPLT | (7,590) | (2,415) | (4,855) | (230) | (91) |
| 511 | 481 (a) Adjustment | 21 | GPLT | - | - | - | - | - |
| 512 | ARO | 21 | GPLT | (2,539) | (808) | (1,624) | (77) | (30) |
| 513 | Casualty Loss | 21 | GPLT | (120,513) | (38,340) | (77,086) | (3,649) | (1,438) |
| 514 | Deductible Repairs & Maintenance | 21 | GPLT | (110,905) | (35,283) | (70,940) | (3,358) | (1,323) |
| 515 | Self Developed Software | 21 | GPLT | (26,532) | (8,441) | (16,971) | (803) | (317) |
| 516 | | | | | | | | |
| 517 | Total Deferred Credits | | | (1,169,558) | (369,219) | (742,347) | (35,140) | (13,848) |
| 518 | | | | | | | | |
| 519 | Deferred Debits | | | | | | | |
| 520 | AFUDC - Debt | 21 | GPLT | 2,143 | 682 | 1,371 | 65 | 26 |
| 521 | Include CIAC In Income | 21 | GPLT | 115,467 | 36,735 | 73,858 | 3,497 | 1,378 |

(in \$'s)

PUBLIC UTILITY COMMISSION OF TEXAS
CENTROPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E.3.5.2 ADPT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

| Line No. | Description | PF # | Functionalization Factors | 1 Monthly Balance | 2 TRAN | 3 DIST | 4 MET | 5 TDCS |
|----------|---|------|---------------------------|----------------------|-----------|-----------|----------|-----------|
| 522 | Total Deferred Debits | | | 117,610 | 37,416 | 75,329 | 3,561 | 1,403 |
| 523 | | | | | | | | |
| 524 | Total for Account 2820, Accumulated Deferred Income Taxes | | | (1,042,948) | (331,802) | (667,119) | (31,582) | (12,445) |
| 525 | | | | | | | | |
| 526 | | | | | | | | |
| 527 | | | | | | | | |
| 528 | Account 2820 | | | | | | | |
| 529 | Deferred Credits | | | | | | | |
| 530 | Reg Asset - Income Tax | 12 | PAYXAG | (41,594) | (819) | (3,049) | (8) | (238) |
| 531 | Reg Asset - Bad Debt | 12 | PAYXAG | (1,071) | (21) | (79) | (0) | (7) |
| 532 | Reg Asset - Other | 12 | PAYXAG | (277,375) | (44) | (16,529) | (4) | (13,308) |
| 533 | Reg Asset - Other | 12 | PAYXAG | (1,170) | (338) | (865) | (2) | (33) |
| 534 | Reg Asset - Amortization | 12 | PAYXAG | (13,299) | (3,018) | (11,232) | (29) | (900) |
| 535 | Reg Asset - Pension | 12 | PAYXAG | (3,868) | (767) | (2,832) | (7) | (241) |
| 536 | Reg Asset - ARO | 12 | PAYXAG | (5,215) | (1,033) | (3,846) | (10) | (325) |
| 537 | Expense DFT - Gross Up - FED (FERC 283) | 20 | TRTBSSE | (27,721) | (10,648) | (16,533) | (687) | (314) |
| 538 | Other Misc DFT - FAS 133 | 20 | TRTBSSE | (1,233) | (452) | (736) | (31) | (14) |
| 539 | | | | | | | | |
| 540 | Total Deferred Credits | | | (281,400) | (69,659) | (283,475) | (1,193) | (16,083) |
| 541 | | | | | | | | |
| 542 | Deferred Debits | | | | | | | |
| 543 | Reg Asset - Bad Debt | 12 | PAYXAG | 46,894 | 9,293 | 34,586 | 88 | 2,937 |
| 544 | Reg Asset - AMS | 12 | PAYXAG | 361 | 71 | 266 | 1 | 23 |
| 545 | Charitable Contribution Carryover | 20 | TRTBSSE | (0) | (0) | (0) | (0) | (0) |
| 546 | | | | | | | | |
| 547 | Total Deferred Debits | | | 47,254 | 9,365 | 34,852 | 89 | 2,960 |
| 548 | | | | | | | | |
| 549 | Total for Account 2820, Accumulated Deferred Income Taxes | | | (234,145) | (51,285) | (168,623) | (1,104) | (13,134) |
| 550 | | | | | | | | |
| 551 | | | | | | | | |
| 552 | | | | | | | | |
| 553 | Total | | | (1,093,353) | (729,315) | (678,416) | (27,847) | (13,458) |
| 554 | | | | | | | | |
| 555 | | | | | | | | |
| 556 | Account 1900 | | | | | | | |
| 557 | Deferred Credits | | | | | | | |
| 558 | Regulatory Liabilities (Sales) | 20 | TRTBSSE | 14,077 | 5,163 | 8,405 | 349 | 160 |
| 559 | Regulatory Liabilities (Expense) | 20 | TRTBSSE | 9,560 | 3,633 | 5,947 | 247 | 113 |
| 560 | Accrued Bonuses | 20 | TRTBSSE | 0 | 0 | 0 | 0 | 0 |
| 561 | Benefit Equalization & Savings Plan | 12 | PAYXAG | 47 | 9 | 34 | 0 | 3 |
| 562 | Stock Options Exercised | 12 | PAYXAG | 24,637 | 4,883 | 18,171 | 46 | 54 |
| 563 | Post-Retirement Benefits | 12 | PAYXAG | 2,386 | 378 | 1,448 | 2 | 1,538 |
| 564 | Deferred Compensation Accrual | 20 | TRTBSSE | 245 | (0) | (0) | (0) | (0) |
| 565 | Bad Debt Expense | 5 | TDCS | 245 | (0) | (0) | (0) | 245 |
| 566 | Accrual Expense | 5 | TDCS | 7,411 | (0) | (0) | (0) | 7,411 |
| 567 | Injuries And Damages Accruals | 12 | PAYXAG | 2,435 | 483 | 1,796 | 5 | 152 |
| 568 | Other Reserves (Environ Lab) | 20 | TRTBSSE | 404 | 148 | 241 | 10 | 5 |
| 569 | Debt Insurance Cost | 20 | TRTBSSE | 23 | (0) | (0) | (0) | (0) |
| 570 | Deferred Reversion | 20 | TRTBSSE | (0) | (0) | (0) | (0) | (0) |
| 571 | FAS 158 Re-Measurement Rate DMT Adjustment | 20 | TRTBSSE | 3 | 1 | 2 | 0 | 0 |
| 572 | Expense DFT - Gross Up - Fed (FERC 190) | 20 | TRTBSSE | 201,536 | 73,928 | 130,530 | 4,992 | 2,246 |
| 573 | Other Misc DFT | 20 | TRTBSSE | (104) | (34) | (60) | (3) | (1) |
| 574 | Total Deferred Credits | | | 265,865 | 88,899 | 155,018 | 5,659 | 12,071 |
| 575 | | | | | | | | |
| 576 | Deferred Debits | | | | | | | |
| 577 | MTM - Derivative | 20 | TRTBSSE | - | - | - | - | - |
| 578 | | | | | | | | |
| 579 | Total Deferred Debits | | | - | - | - | - | - |
| 580 | | | | | | | | |
| 581 | | | | | | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTRAL POINT ENERGY HOUSTON ELECTRIC, LLC
CENTRAL POINT ENERGY HOUSTON ELECTRIC, LLC
TEST YEAR ENDED 12/31/2018
DOCKET NO. 2021
SPONSOR: C. PRINGLE
(Thousands of Dollars)

INUL

| Line No | Description | FF # | Functionalization Factor | 1 Monthly Balance | 2 TRAM | 3 DIST | 4 MET | 5 TXCS |
|---------|---|------|--------------------------|----------------------|-----------|-----------|----------|-----------|
| 342 | Total for Account 190, Accumulated Deferred Income Taxes | | | 243,565 | 88,498 | 157,015 | 5,452 | 12,491 |
| 343 | | | | | | | | |
| 344 | | | | | | | | |
| 345 | Account 2020 | | | | | | | |
| 346 | Deferred Credits | | | | | | | |
| 347 | Book/Tax Depreciation | 21 | GPLT | (878,209) | (279,392) | (561,744) | (26,594) | (10,479) |
| 348 | PPEE Permanent Difference | 21 | GPLT | (15,525) | (4,539) | (9,931) | (470) | (183) |
| 349 | Book/Tax Char/Ass Difference | 21 | GPLT | (8,643) | (2,756) | (3,528) | (262) | (103) |
| 350 | 481 (a) Adjustment | 21 | GPLT | (2,525) | (803) | (1,613) | (745) | (30) |
| 351 | Charity Lim | 21 | GPLT | (120,513) | (38,240) | (77,086) | (3,649) | (1,438) |
| 352 | Charitable Renter & Maintenance | 21 | GPLT | (112,221) | (35,702) | (71,782) | (3,398) | (1,399) |
| 353 | Self-Developed Software | 21 | GPLT | (26,559) | (8,450) | (16,989) | (804) | (317) |
| 354 | Total Deferred Credits | | | (1,164,199) | (370,270) | (744,674) | (38,459) | (13,871) |
| 355 | | | | | | | | |
| 356 | Deferred Debits | | | | | | | |
| 357 | ATDC - Debt | 21 | GPLT | 2,242 | 713 | 1,424 | 68 | 27 |
| 358 | Includ CLAC in Income | 21 | GPLT | 116,816 | 37,104 | 74,721 | 3,537 | 1,394 |
| 359 | Total Deferred Debits | | | 119,058 | 37,817 | 76,145 | 3,605 | 1,421 |
| 360 | | | | | | | | |
| 361 | Total for Account 2020, Accumulated Deferred Income Taxes | | | (1,045,140) | (332,452) | (668,519) | (31,479) | (12,471) |
| 362 | | | | | | | | |
| 363 | | | | | | | | |
| 364 | | | | | | | | |
| 365 | | | | | | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.5.2 ADDIT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

IN 11.1.1

| Line No | Description | FF # | Functionalization Factors | 1 Monthly Balance | 2 TRAN | 3 DIST | 4 MET | 5 TDCS |
|---------|---|------|---------------------------|----------------------|-----------|-----------|----------|-----------|
| 606 | | | | | | | | |
| 607 | Account 2830 | | | | | | | |
| 608 | Deferred Credits | | | | | | | |
| 609 | Reg Asset - Income Tax | 12 | PAYXAG | (4,134) | (819) | (3,049) | (8) | (258) |
| 610 | Reg Asset - Bad Debt | 12 | PAYXAG | (107) | (21) | (79) | (0) | (7) |
| 611 | Reg Asset - Stranded Costs | 12 | PAYXAG | (212,369) | (42,087) | (156,628) | (400) | (13,253) |
| 612 | Reg Asset - Other | 12 | PAYXAG | (1,284) | (255) | (947) | (2) | (80) |
| 613 | Reg Asset - Amortization | 12 | PAYXAG | (15,113) | (2,995) | (11,146) | (28) | (943) |
| 614 | Reg Asset - Pension | 12 | PAYXAG | (3,961) | (785) | (2,921) | (7) | (247) |
| 615 | Reg Asset - ARO | 12 | PAYXAG | (5,247) | (1,040) | (3,870) | (10) | (327) |
| 616 | Excess DFT - Gross Up - FED (FERC 283) | 20 | TRTBSE | (27,722) | (10,168) | (16,553) | (887) | (314) |
| 617 | Other Misc DFT - FAS 133 | 20 | TRTBSE | (1,233) | (452) | (736) | (31) | (14) |
| 618 | | | | | | | | |
| 619 | Total Deferred Credits | | | (271,170) | (58,622) | (195,930) | (1,173) | (15,444) |
| 620 | | | | | | | | |
| 621 | Deferred Debits | | | | | | | |
| 622 | Reg Asset - Equity | 12 | PAYXAG | 45,874 | 9,091 | 33,834 | 86 | 2,863 |
| 623 | Reg Asset - AMS | 12 | PAYXAG | 361 | 71 | 266 | 1 | 23 |
| 624 | Charitable Contribution Carryover | 20 | TRTBSE | (0) | (0) | (0) | (0) | (0) |
| 625 | Other Misc DFT | 20 | TRTBSE | 219 | 80 | 131 | 5 | 2 |
| 626 | Total Deferred Debits | | | 46,454 | 9,243 | 34,230 | 92 | 2,888 |
| 627 | | | | | | | | |
| 628 | Total for Account 2830, Accumulated Deferred Income Taxes | | | (224,716) | (49,379) | (161,700) | (1,081) | (12,556) |
| 629 | | | | | | | | |
| 630 | Total | | | (1,006,288) | (223,070) | (673,203) | (27,070) | (12,937) |
| 631 | | | | | | | | |
| 632 | | | | | | | | |
| 633 | Description | FF # | Functionalization Factors | Balance at 9/30/2018 | TRAN | DIST | MET | TDCS |
| 634 | | | | | | | | |
| 635 | Account 1900 | | | | | | | |
| 636 | Deferred Credits | | | | | | | |
| 637 | Regulatory Liabilities (Sales) | 20 | TRTBSE | 12,872 | 4,721 | 7,686 | 319 | 146 |
| 638 | Regulatory Liabilities (Expense) | 20 | TRTBSE | 14,663 | 5,378 | 8,756 | 363 | 166 |
| 639 | Accrued Bonuses | 20 | TRTBSE | 0 | 0 | 0 | 0 | 0 |
| 640 | Benefit Equalization & Saving Plan | 12 | PAYXAG | 49 | 10 | 36 | 0 | 3 |
| 641 | Stock Options Exercised | 12 | PAYXAG | 956 | 190 | 705 | 2 | 60 |
| 642 | Post-Retirement Benefits | 12 | PAYXAG | 24,554 | 4,866 | 18,109 | 46 | 1,532 |
| 643 | Deferred Compensation Accrual | 12 | PAYXAG | 1,950 | 386 | 1,438 | 4 | 122 |
| 644 | Partnership K-1 Income | 20 | TRTBSE | 1 | 0 | 1 | 0 | 0 |
| 645 | Bad Debt Expense | 5 | TDCS | 259 | - | - | - | 259 |
| 646 | Accrual Expense | 5 | TDCS | 7,430 | - | - | - | 7,430 |
| 647 | Injuries And Damages Accruals | 12 | PAYXAG | 2,960 | 587 | 2,183 | 6 | 185 |
| 648 | Other Reserves (Environ Liab) | 20 | TRTBSE | 390 | 143 | 233 | 10 | 4 |
| 649 | Debt Issuance Cost | 20 | TRTBSE | 23 | 8 | 14 | 1 | 0 |
| 650 | Deferred Revenue | 20 | TRTBSE | (0) | (0) | (0) | (0) | (0) |
| 651 | FAS 158 Re-Measurement Rate Diff Adjustment | 20 | TRTBSE | 3 | 1 | 2 | 0 | 0 |
| 652 | Excess DFT - Gross Up - Fed (FERC 190) | 20 | TRTBSE | 201,556 | 73,928 | 120,350 | 4,992 | 2,286 |
| 653 | Other Misc DFT | 20 | TRTBSE | (90) | (33) | (54) | (2) | (1) |
| 654 | Total Deferred Credits | | | 267,877 | 99,187 | 159,459 | 5,739 | 12,192 |
| 655 | | | | | | | | |
| 656 | Deferred Debits | | | | | | | |
| 657 | MTM - Derivative | 20 | TRTBSE | (689) | (253) | (411) | (17) | (8) |
| 658 | | | | | | | | |
| 659 | Total Deferred Debits | | | (689) | (253) | (411) | (17) | (8) |
| 660 | | | | | | | | |
| 661 | Total for Account 1900, Accumulated Deferred Income Taxes | | | 266,888 | 89,934 | 159,048 | 5,722 | 12,184 |

PUBLIC UTILITY COMMISSION OF TEXAS
CHARTERED MEMBER: HOUSTON ELECTRIC, LLC
JE-E.5.2 DFTT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSORS: C. FRINGLE
 (Thousands of Dollars)

| Line No. | Description | PF # | Functionalization Factors | 1 Monthly Balance | 2 TRAN | 3 DIST | 4 MET | 5 TDCS |
|----------|---|------|---------------------------|----------------------|-----------|-----------|----------|-----------|
| 662 | | | | | | | | |
| 663 | Account 2020 | | | | | | | |
| 664 | Deferred Credits | 21 | GPLT | (8,820) | (2,806) | (5,642) | (267) | (105) |
| 665 | Uniform Capitalization | 21 | GPLT | (879,226) | (279,716) | (562,394) | (26,624) | (10,491) |
| 666 | Book/Tax Depreciation | 21 | GPLT | (15,525) | (4,939) | (9,931) | (470) | (185) |
| 667 | PP&E Permanent Difference | 21 | GPLT | (12,789) | (4,069) | (8,180) | (387) | (153) |
| 668 | Book/Tax Char/Loss Difference | 21 | GPLT | (25,515) | (4,117) | (17,792) | (773) | (309) |
| 669 | 481(a) Adjustment | 21 | GPLT | (1,531) | (478) | (1,066) | (51) | (20) |
| 670 | | 21 | GPLT | (1,066) | (324) | (742) | (34) | (13) |
| 671 | Cash/Loss | 21 | GPLT | (120,513) | (38,340) | (77,086) | (3,649) | (1,438) |
| 672 | Delistible Renewal & Maintenance | 21 | GPLT | (114,279) | (36,357) | (73,098) | (3,461) | (1,364) |
| 673 | Self-Developed Software | 21 | GPLT | (26,723) | (8,302) | (17,093) | (809) | (319) |
| 674 | Other Misc DFTT | 21 | GPLT | (90) | (29) | (58) | (3) | (1) |
| 675 | Total Deferred Credits | | | (1,205,998) | (385,673) | (771,498) | (34,512) | (14,390) |
| 676 | | | | | | | | |
| 677 | Deferred Debits | | | | | | | |
| 678 | AFUDC - Debt | 21 | GPLT | 2,340 | 744 | 1,497 | 71 | 28 |
| 679 | Int'lde CMC in Income | 21 | GPLT | 117,861 | 37,496 | 75,389 | 3,569 | 1,406 |
| 680 | | | | | | | | |
| 681 | Total Deferred Debits | | | 120,201 | 38,240 | 76,886 | 3,640 | 1,434 |
| 682 | | | | | | | | |
| 683 | Total for Account 2020, Accumulated Deferred Income Taxes | | | (1,085,797) | (347,433) | (694,523) | (30,872) | (12,956) |
| 684 | | | | | | | | |
| 685 | Account 2020 | | | | | | | |
| 686 | Deferred Credits | | | | | | | |
| 687 | Reg Asset - Income Tax | 12 | PAYXAG | (4,134) | (819) | (3,049) | (8) | (238) |
| 688 | Reg Asset - Bad Debt | 12 | PAYXAG | (107) | (21) | (79) | (0) | (7) |
| 689 | Reg Asset - Stimulus Costs | 12 | PAYXAG | (203,523) | (40,134) | (150,104) | (383) | (12,701) |
| 690 | Reg Asset - Other | 12 | PAYXAG | (1,139) | (228) | (1,109) | (5) | (19) |
| 691 | Reg Asset - Uniform Capitalization | 12 | PAYXAG | (11,037) | (2,380) | (11,001) | (28) | (938) |
| 692 | Reg Asset - Pension | 12 | PAYXAG | (4,053) | (803) | (2,989) | (8) | (253) |
| 693 | Reg Asset - AXO | 12 | PAYXAG | (5,380) | (1,046) | (3,894) | (10) | (329) |
| 694 | Excess DFTT - Gross Up - FED (FERC 283) | 20 | TRINSE | (27,722) | (10,168) | (16,533) | (687) | (314) |
| 695 | Other Misc DFTT - FAS 133 | 20 | TRINSE | (1,233) | (452) | (736) | (31) | (14) |
| 696 | | 20 | TRINSE | (14,995) | (5,317) | (8,655) | (359) | (164) |
| 697 | Total Deferred Credits | | | (677,171) | (162,565) | (498,320) | (1,519) | (51,979) |
| 698 | Deferred Debits | | | | | | | |
| 699 | Reg Asset - Equity | 12 | PAYXAG | 44,976 | 8,913 | 33,171 | 85 | 2,807 |
| 700 | Reg Asset - Other | 12 | PAYXAG | 361 | 71 | 266 | 1 | 23 |
| 701 | Charitable Contribution Carryover | 20 | TRINSE | (0) | (0) | (0) | (0) | (0) |
| 702 | | | | | | | | |
| 703 | Total Deferred Debits | | | 45,336 | 9,985 | 33,437 | 85 | 2,829 |
| 704 | | | | | | | | |
| 705 | Total for Account 2020, Accumulated Deferred Income Taxes | | | (231,835) | (53,271) | (164,835) | (1,431) | (12,49) |
| 706 | | | | | | | | |
| 707 | Total | | | (1,085,797) | (347,433) | (694,523) | (30,872) | (12,956) |
| 708 | | | | | | | | |
| 709 | | | | | | | | |
| 710 | | | | | | | | |
| 711 | | | | | | | | |
| 712 | | | | | | | | |

11/1/15

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
11-E.3.5.2 ADPIT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. -8921
SPONSOR: C. FRINGLE
(Thousands of Dollars)

| Line No. | Description | FF # | Functionalization Factors | Monthly Balance | TRAN | DIST | MET | TDCS |
|----------|---|------|---------------------------|-----------------------|-----------|-----------|----------|----------|
| | | FF # | Functionalization Factors | Balance at 10/31/2018 | TRAN | DIST | MET | TDCS |
| 713 | | | | | | | | |
| 714 | | | | | | | | |
| 715 | Account 1900 | | | | | | | |
| 716 | Deferred Credits | | | | | | | |
| 717 | Regulatory Liabilities (Sales) | 20 | TRTBSB | 12,837 | 4,708 | 7,665 | 118 | 146 |
| 718 | Regulatory Liabilities (Expenses) | 20 | TRTBSB | 14,681 | 5,345 | 8,766 | 364 | 167 |
| 719 | Regulatory Liabilities (Expenses) | 20 | TRTBSB | 2,456 | 85 | 1,555 | 6 | 3 |
| 720 | Benefit Equalization & Savings Plan | 12 | PAYXAG | 47 | 9 | 34 | 0 | 3 |
| 721 | Stock Options Expensed | 12 | PAYXAG | 956 | 109 | 705 | 2 | 60 |
| 722 | Post-Retirement Benefits | 12 | PAYXAG | 24,518 | 4,559 | 18,082 | 46 | 1,530 |
| 723 | Deferred Compensation Accrual | 12 | PAYXAG | 1,945 | 386 | 1,435 | 4 | 121 |
| 724 | Partnership K-1 Income | 20 | TRTBSB | 3 | 1 | 2 | 0 | 0 |
| 725 | Bad Debt Expense | 5 | TDCS | 245 | - | - | - | 245 |
| 726 | Accretion Expense | 5 | TDCS | 7,448 | - | - | - | 7,448 |
| 727 | Injunctive And Damages Accruals | 12 | PAYXAG | 3,100 | 614 | 2,286 | 6 | 193 |
| 728 | Other Remedies (Litigation Liab) | 20 | TRTBSB | 390 | 143 | 233 | 10 | 4 |
| 729 | Deferred Remedies Cost | 20 | TRTBSB | 60 | (0) | (0) | (0) | (0) |
| 730 | Deferred Remedies | 20 | TRTBSB | (0) | (0) | (0) | (0) | (0) |
| 731 | PAS 158 Re-Measurement Rate Diff Adjustment | 20 | TRTBSB | 3 | 1 | 2 | 0 | 0 |
| 732 | Excess DPIT - Green Up - Fed (FERC 190) | 20 | TRTBSB | 200,111 | 73,398 | 119,467 | 4,956 | 2,270 |
| 733 | Other Misc DPIT | 20 | TRTBSB | (90) | (33) | (54) | (2) | (1) |
| 734 | Total Deferred Credits | | | 266,475 | 87,964 | 158,612 | 5,710 | 12,189 |
| 735 | | | | | | | | |
| 736 | Deferred Debits | | | | | | | |
| 737 | MTM - Derivative | 20 | TRTBSB | (689) | (253) | (411) | (17) | (8) |
| 738 | | | | | | | | |
| 739 | Total Deferred Debits | | | (689) | (253) | (411) | (17) | (8) |
| 740 | | | | | | | | |
| 741 | Total for Account 1900, Accumulated Deferred Income Taxes | | | 265,787 | 87,711 | 158,201 | 5,693 | 12,181 |
| 742 | | | | | | | | |
| 743 | | | | | | | | |
| 744 | Account 2020 | | | | | | | |
| 745 | Deferred Credits | | | | | | | |
| 746 | Uniform Capitalization | 21 | GPLT | (9,800) | (3,118) | (6,269) | (297) | (117) |
| 747 | Book/Tax Depreciation | 21 | GPLT | (879,089) | (279,673) | (562,307) | (26,620) | (10,490) |
| 748 | PP&E Permanent Difference | 21 | GPLT | (15,525) | (4,939) | (9,931) | (470) | (185) |
| 749 | Book/Tax Gain/Loss Difference | 21 | GPLT | (19,305) | (6,142) | (12,344) | (585) | (230) |
| 750 | 481(a) Adjustment | 21 | GPLT | (28,350) | (9,019) | (18,134) | (858) | (338) |
| 751 | ARO | 21 | GPLT | (24,697) | (794) | (15,971) | (76) | (30) |
| 752 | Goodwill Loss | 21 | GPLT | (120,218) | (34,246) | (78,897) | (3,640) | (1,434) |
| 753 | Debt Issuance Costs | 21 | GPLT | (17,431) | (5,251) | (11,819) | (549) | (214) |
| 754 | Self-Developed Software | 21 | GPLT | (26,993) | (8,387) | (17,266) | (817) | (322) |
| 755 | | | | | | | | |
| 756 | Total Deferred Credits | | | (1,213,270) | (387,899) | (779,860) | (34,923) | (14,549) |
| 757 | | | | | | | | |
| 758 | Deferred Debits | | | | | | | |
| 759 | AFUDC - Debt | 21 | GPLT | 994 | 316 | 636 | 30 | 12 |
| 760 | Capitalized Costs | 21 | GPLT | 1,446 | 460 | 925 | 44 | 17 |
| 761 | Include CIAC In Income | 21 | GPLT | 116,853 | 37,176 | 74,745 | 3,539 | 1,394 |
| 762 | | | | | | | | |
| 763 | Total Deferred Debits | | | 119,293 | 37,951 | 76,305 | 3,612 | 1,423 |
| 764 | | | | | | | | |
| 765 | Total for Account 2020, Accumulated Deferred Income Taxes | | | (1,093,977) | (349,948) | (703,601) | (31,311) | (13,126) |
| 766 | | | | | | | | |
| 767 | | | | | | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.3.2 ADFT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

INITIAL

| Line No | Description | FF # | Functionalization Factors | 1 Monthly Balance | 2 TRAN | 3 DIST | 4 MET | 5 TDCS |
|---------|---|------|---------------------------|-----------------------|-----------|-----------|----------|-----------|
| 768 | Account 2830 | | | | | | | |
| 769 | Deferred Credits | | | | | | | |
| 770 | Reg Asset - Income Tax | 12 | PAYXAG | (4,134) | (819) | (3,049) | (8) | (258) |
| 771 | Reg Asset - Bad Debt | 12 | PAYXAG | (322) | (64) | (238) | (1) | (20) |
| 772 | Reg Asset - Stranded Costs | 12 | PAYXAG | (196,501) | (38,943) | (144,926) | (370) | (12,263) |
| 773 | Reg Asset - Other | 12 | PAYXAG | (1,633) | (324) | (1,204) | (3) | (102) |
| 774 | Reg Asset - Amortization | 12 | PAYXAG | (15,042) | (2,981) | (11,094) | (28) | (939) |
| 775 | Reg Asset - Pension | 12 | PAYXAG | (4,145) | (822) | (3,057) | (8) | (259) |
| 776 | Reg Asset - ARO | 12 | PAYXAG | (5,312) | (1,053) | (3,918) | (10) | (332) |
| 777 | Excess DFIT - Gross Up - FED (FERC 283) | 20 | TRTBSE | (27,722) | (10,168) | (16,553) | (647) | (314) |
| 778 | Other Misc DFIT - FAS 133 | 20 | TRTBSE | (1,233) | (452) | (736) | (31) | (14) |
| 779 | Other Misc DFIT | 20 | TRTBSE | (1,205) | (478) | (729) | (32) | (15) |
| 780 | Total Deferred Credits | | | (287,349) | (56,103) | (185,564) | (1,177) | (14,515) |
| 781 | | | | | | | | |
| 782 | Deferred Debits | | | | | | | |
| 783 | Reg Asset - Equity | 12 | PAYXAG | 44,235 | 8,766 | 32,624 | 83 | 2,761 |
| 784 | Reg Asset - AMS | 12 | PAYXAG | 361 | 71 | 266 | 1 | 23 |
| 785 | Charitable Contribution Carryover | 20 | TRTBSE | 1,130 | 414 | 674 | 28 | 13 |
| 786 | | | | | | | | |
| 787 | Total Deferred Debits | | | 45,725 | 9,252 | 33,565 | 112 | 2,796 |
| 788 | | | | | | | | |
| 789 | Total for Account 2830, Accumulated Deferred Income Taxes | | | (211,624) | (46,851) | (151,969) | (1,065) | (11,719) |
| 790 | | | | | | | | |
| 791 | Total | | | (1,845,821) | (307,287) | (697,187) | (28,682) | (12,663) |
| 792 | | | | | | | | |
| 793 | | | | | | | | |
| 794 | | | | | | | | |
| 795 | Description | FF # | Functionalization Factors | Balance at 11/30/2018 | TRAN | DIST | MET | TDCS |
| 796 | | | | | | | | |
| 797 | Account 1900 | | | | | | | |
| 798 | Deferred Credits | | | | | | | |
| 799 | Regulatory Liabilities (Sales) | 20 | TRTBSE | 12,171 | 4,464 | 7,267 | 301 | 138 |
| 800 | Regulatory Liabilities (Expense) | 20 | TRTBSE | 14,670 | 5,381 | 8,759 | 363 | 166 |
| 801 | Accrued Bonuses | 20 | TRTBSE | 259 | 95 | 155 | 6 | 3 |
| 802 | Benefit Equalization & Savings Plan | 12 | PAYXAG | 47 | 9 | 34 | 0 | 3 |
| 803 | Stock Options Exercised | 12 | PAYXAG | 956 | 190 | 705 | 2 | 60 |
| 804 | Post-Retirement Benefits | 12 | PAYXAG | 24,600 | 4,875 | 18,143 | 46 | 1,535 |
| 805 | Deferred Compensation Accrual | 12 | PAYXAG | 1,911 | 379 | 1,409 | 4 | 119 |
| 806 | Partnership K-1 Income | 20 | TRTBSE | 3 | 1 | 2 | 0 | 0 |
| 807 | Bad Debt Expense | 5 | TDCS | 245 | - | - | - | 245 |
| 808 | Accretion Expense | 5 | TDCS | 7,467 | - | - | - | 7,467 |
| 809 | Injuries And Damages Accruals | 12 | PAYXAG | 2,364 | 468 | 1,743 | 4 | 148 |
| 810 | Other Reserves (Environ Lash) | 20 | TRTBSE | 390 | 143 | 233 | 10 | 4 |
| 811 | Debt Insurance Cost | 20 | TRTBSE | 23 | 8 | 13 | 1 | 0 |
| 812 | Deferred Revenue | 20 | TRTBSE | (0) | (0) | (0) | (0) | (0) |
| 813 | FAS 158 Re-Measurement Rate Diff Adjustment | 20 | TRTBSE | 3 | 1 | 2 | 0 | 0 |
| 814 | Excess DFIT - Gross Up - Fed (FERC 190) | 20 | TRTBSE | 200,004 | 73,359 | 119,423 | 4,954 | 2,268 |
| 815 | Excess DFIT - Reg Co - Gross Up - Not Protected | 20 | TRTBSE | 1,259 | 462 | 752 | 31 | 14 |
| 816 | Other Misc DFIT | 20 | TRTBSE | (85) | (31) | (51) | (2) | (1) |
| 817 | Total Deferred Credits | | | 266,287 | 89,804 | 158,591 | 5,728 | 12,171 |
| 818 | | | | | | | | |
| 819 | Deferred Debits | | | | | | | |
| 820 | MTM - Derivative | 20 | TRTBSE | (689) | (253) | (411) | (17) | (8) |
| 821 | | | | | | | | |
| 822 | Total Deferred Debits | | | (689) | (253) | (411) | (17) | (8) |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
11-13-13 ADPT - MONTHLY
TEST YEAR ENDED 12/31/18
BOOKEND 4920
SCHEDULE
SCHEDULE E
(Thousands of Dollars)

| Line No | Description | FF # | Functionalization Factor | 1 Monthly Balance | 2 TRAN | 3 DIST | 4 MIS | 5 TDCS |
|---------|--|------|--------------------------|----------------------|-----------|------------|----------|-----------|
| 823 | Total for Account 1900, Accumulated Deferred Income Taxes | | | 265,598 | 89,551.85 | 158,179.94 | 5,703.36 | 12,162.77 |
| 824 | Account 2820 | | | | | | | |
| 825 | Deferred Credits | | | | | | | |
| 826 | Deferred Credits | 21 | GPI,T | (10,780) | (3,430) | (6,853) | (326) | (129) |
| 827 | Deferred Credits | 21 | GPI,T | (879,382) | (279,766) | (562,492) | (26,629) | (18,483) |
| 828 | Book/Pre Depreciation | 21 | GPI,T | (15,420) | (4,906) | (9,864) | (467) | (184) |
| 829 | Book/Pre Depreciation | 21 | GPI,T | (20,726) | (6,594) | (13,237) | (628) | (247) |
| 830 | PRR Permanent Difference | 21 | GPI,T | (31,185) | (9,921) | (19,947) | (944) | (372) |
| 831 | PRR Permanent Difference | 21 | GPI,T | (2,483) | (790) | (1,548) | (73) | (30) |
| 832 | 401(a) Adjustment | 21 | GPI,T | (120,218) | (38,246) | (76,897) | (3,600) | (1,434) |
| 833 | ARO | 21 | GPI,T | (118,898) | (37,826) | (76,033) | (3,600) | (1,419) |
| 834 | Cash/Loss | 21 | GPI,T | (27,001) | (8,590) | (17,271) | (818) | (322) |
| 835 | Debt/Debt Repay & Maintenance | | | | | | | |
| 836 | Debt/Debt Repay & Maintenance | 21 | GPI,T | | | | | |
| 837 | Self-Developed Software | | | | | | | |
| 838 | Self-Developed Software | 21 | GPI,T | | | | | |
| 839 | Total Deferred Credits | | | (1,206,092) | (399,068) | (774,657) | (37,179) | (14,830) |
| 840 | Deferred Debits | | | | | | | |
| 841 | AFUDC - Debt | 21 | GPI,T | 1,093 | 348 | 699 | 33 | 13 |
| 842 | Capitalized Costs | 21 | GPI,T | 13,609 | 4,330 | 8,705 | 412 | 162 |
| 843 | Capitalized Costs | 21 | GPI,T | 118,168 | 37,594 | 75,386 | 3,578 | 1,410 |
| 844 | Include CMC in Income | | | | | | | |
| 845 | Include CMC in Income | 21 | GPI,T | | | | | |
| 846 | Total Deferred Debits | | | 132,870 | 42,271 | 84,990 | 4,024 | 1,585 |
| 847 | Total for Account 2820, Accumulated Deferred Income Taxes | | | (1,093,222) | (347,797) | (699,277) | (33,165) | (13,845) |
| 848 | | | | | | | | |
| 849 | | | | | | | | |
| 850 | | | | | | | | |

NULLA

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
REG-3.3.2 ADJUT - MONTHLY
PERIOD ENDING 12/31/2018
BOOKSET NO. 0421
SPONSOR: C. PRINGLE
(Thousands of Dollars)

| Line No. | Description | FF # | Functionalization Factors | Monthly Balance | TRAN | DIST | MET | TDCS |
|----------|---|------|---------------------------|-----------------|-----------|------------|----------|----------|
| 851 | Account 2830 | | | | | | | |
| 852 | Deferred Credits | | | | | | | |
| 853 | Reg Asset - Income Tax | 12 | PAYXAG | (4,265) | (845) | (3,146) | (8) | (266) |
| 854 | Reg Asset - Bad Debt | 12 | PAYXAG | (323) | (64) | (239) | (1) | (20) |
| 855 | Reg Asset - Standard Costs | 12 | PAYXAG | (203,679) | (40,735) | (150,219) | (384) | (12,711) |
| 856 | Reg Asset - Other | 12 | PAYXAG | (1,664) | (330) | (1,227) | (3) | (104) |
| 857 | Reg Asset - Amortization | 12 | PAYXAG | (14,870) | (2,947) | (10,967) | (28) | (928) |
| 858 | Reg Asset - Pension | 12 | PAYXAG | (579) | (115) | (2,153) | (5) | (182) |
| 859 | Reg Asset - ARO | 12 | PAYXAG | (2,345) | (469) | (3,942) | (100) | (334) |
| 860 | Excess DFT - Gross Up - FED (FERC 283) | 20 | TRTRSE | (21,722) | (4,344) | (17,153) | (438) | (14,372) |
| 861 | Other Misc DFT | 20 | TRTRSE | (1,153) | (234) | (902) | (37) | (117) |
| 862 | Total Deferred Credits | | | (24,330) | (5,000) | (19,650) | (1,211) | (4,499) |
| 863 | Deferred Debits | | | | | | | |
| 864 | Reg Asset - Equity | 12 | PAYXAG | 43,673 | 8,735 | 32,210 | 82 | 2,726 |
| 865 | Reg Asset - AMS | 12 | PAYXAG | 361 | 71 | 266 | 1 | 23 |
| 866 | Charitable Contribution Carryover | 20 | TRTRSE | 678 | 249 | 405 | 17 | 8 |
| 867 | EXCESS DFT - Reg Co - GROSS UP - Protected | 20 | TRTRSE | (205) | (75) | (122) | (5) | (2) |
| 868 | Total Deferred Debits | | | 44,507 | 8,950 | 33,259 | 95 | 2,753 |
| 869 | Total for Account 2830, Accumulated Deferred Income Taxes | | | (215,723) | (44,719) | (157,743) | (1,116) | (13,145) |
| 870 | Total | | | (1,857,348) | (386,564) | (698,839) | (28,517) | (33,027) |
| 871 | Account 1800 | | | | | | | |
| 872 | Deferred Credits | | | | | | | |
| 873 | Regulatory Liabilities (Sales) | 20 | TRTRSE | 10,742 | 3,940 | 6,414 | 266 | 122 |
| 874 | Regulatory Liabilities (Expense) | 12 | PAYXAG | 16,245 | 3,219 | 11,981 | 31 | 1,014 |
| 875 | Accrued Bonuses | 20 | TRTRSE | 0 | 0 | 0 | 0 | 0 |
| 876 | Benefit Equalization & Savings Plan | 20 | TRTRSE | 42 | 15 | 25 | 1 | 0 |
| 877 | Stock Options Exercised | 20 | TRTRSE | 1,047 | 384 | 625 | 26 | 12 |
| 878 | Deferred Compensation Accrual | 20 | TRTRSE | 14,172 | 5,198 | 8,462 | 351 | 161 |
| 879 | Deferred Compensation Accrual | 20 | TRTRSE | 1,786 | 653 | 1,066 | 44 | 20 |
| 880 | Regulatory Liabilities - K-1 Income | 20 | TRTRSE | 245 | 90 | 146 | 6 | 3 |
| 881 | Accrued Expense | 20 | TRTRSE | 7,032 | 2,579 | 4,199 | 174 | 80 |
| 882 | Interest And Damages Accruals | 20 | TRTRSE | 2,640 | 983 | 1,600 | 66 | 30 |
| 883 | Other Reserves (Environ Liab) | 20 | TRTRSE | 390 | 143 | 233 | 10 | 4 |
| 884 | Debt Insurance Cost | 20 | TRTRSE | 22 | 8 | 13 | 1 | 0 |
| 885 | FAS 158 Re-Measurement Rate Diff Adjustment | 20 | TRTRSE | 3 | 1 | 2 | 0 | 0 |
| 886 | Excess DFT - Gross Up - Fed (FERC 190) Protected | 21 | TRTRSE | 150,648 | 47,927 | 96,362 | 4,562 | 1,798 |
| 887 | Other Misc DFT | 20 | TRTRSE | 53,157 | 19,497 | 31,740 | 1,317 | 603 |
| 888 | Total Deferred Credits | | | 208,215 | 84,643 | 103,877 | 6,854 | 3,417 |
| 889 | Deferred Debits | | | | | | | |
| 890 | MTM - Derivative | 20 | TRTRSE | 4,892 | 1,794 | 2,921 | 121 | 55 |
| 891 | Total Deferred Debits | | | 4,892 | 1,794 | 2,921 | 121 | 55 |
| 892 | Total for Account 1800, Accumulated Deferred Income Taxes | | | 243,107 | 86,436.60 | 165,792.39 | 6,975.41 | 3,902.40 |

(N/A)

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
11-E-3.5.2 ADFT - MONTHLY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 4941
SPONSOR: C. FRINGLE
(Thousands of Dollars)

| Line No. | Description | FF # | Functionalization Factors | 1 | 2 | 3 | 4 | 5 |
|----------|---|------|---------------------------|-----------------|-----------|-----------|----------|----------|
| | | | | Monthly Balance | TRAN | DIST | MET | TDCS |
| 909 | | | | | | | | |
| 910 | Account 2820 | | | | | | | |
| 911 | Deferred Credits | | | | | | | |
| 912 | Uniform Capitalization | 21 | GPLT | (47,237) | (15,028) | (30,215) | (1,430) | (564) |
| 913 | Real Estate Depreciation | 21 | GPLT | (81,511) | (280,443) | (563,856) | (26,694) | (10,519) |
| 914 | Real Estate Depreciation | 21 | GPLT | (16,110) | (5,125) | (10,305) | (488) | (192) |
| 915 | AKO | 21 | GPLT | (2,031) | (633) | (1,313) | (62) | (25) |
| 916 | Quantity Low | 21 | GPLT | (113,407) | (40,079) | (72,541) | (3,494) | (1,355) |
| 917 | Deductible Repairs & Maintenance | 21 | GPLT | (8,859) | (8,859) | (8,859) | (3,477) | (1,224) |
| 918 | Self-Developed Software | 21 | GPLT | (13,174) | (4,383) | (8,811) | (477) | (104) |
| 919 | | | | | | | | |
| 920 | Total Deferred Credits | | | (1,202,131) | (392,445) | (768,839) | (34,403) | (14,144) |
| 921 | | | | | | | | |
| 922 | Deferred Debits | | | | | | | |
| 923 | AFUDC - Debt | 21 | GPLT | 8,053 | 2,562 | 5,151 | 244 | 96 |
| 924 | Include CAC in Income | 21 | GPLT | 106,876 | 34,001 | 68,363 | 3,236 | 1,275 |
| 925 | Pre TCA Future DFT | 21 | GPLT | 419 | 133 | 268 | 13 | 5 |
| 926 | | | | | | | | |
| 927 | Total Deferred Debits | | | 115,348 | 36,697 | 73,782 | 3,493 | 1,376 |
| 928 | | | | | | | | |
| 929 | Total for Account 2820, Accumulated Deferred Income Taxes | | | (1,086,783) | (345,748) | (695,157) | (33,910) | (12,768) |
| 930 | | | | | | | | |
| 931 | | | | | | | | |
| 932 | Account 2830 | | | | | | | |
| 933 | Deferred Credits | | | | | | | |
| 934 | Reg Asset - Income Tax | 12 | PAYXAG | (4,282) | (849) | (3,138) | (8) | (267) |
| 935 | Reg Asset - Bad Debt | 5 | TDCS | (330) | - | - | - | (330) |
| 936 | Reg Asset - Stimulated Costs | 12 | PAYXAG | (186,336) | (36,928) | (137,428) | (351) | (11,539) |
| 937 | Reg Asset - Other | 3 | DIST | (1,781) | - | (1,781) | - | - |
| 938 | Reg Asset - Amortization | 12 | PAYXAG | (29,000) | (5,751) | (21,403) | (55) | (1,811) |
| 939 | Reg Asset - Pension | 12 | PAYXAG | (4,417) | (1,470) | (3,470) | 14 | 463 |
| 940 | Reg Asset - AKO | 12 | PAYXAG | (6,478) | (3,478) | (3,357) | (67) | (2,111) |
| 941 | Events DFT - Gross Up - FED (FERC 283) | 12 | PAYXAG | (37,063) | (6,554) | (23,647) | (60) | (2,051) |
| 942 | Other Misc DFT | 20 | TRTRSE | (503) | (184) | (300) | (12) | (6) |
| 943 | Prepaid Pension Asset Service Company | 1 | DA | - | - | - | - | - |
| 944 | | | | | | | | |
| 945 | Total Deferred Credits | | | (251,875) | (49,381) | (185,920) | (482) | (15,891) |
| 946 | | | | | | | | |
| 947 | Deferred Debits | | | | | | | |
| 948 | Reg Asset - Energy | 12 | PAYXAG | 43,065 | 8,335 | 31,762 | 81 | 2,648 |
| 949 | Other Misc DFT - FAS 133 | 21 | GPLT | 3,690 | 1,174 | 2,360 | 112 | 44 |
| 950 | | | | | | | | |
| 951 | Total Deferred Debits | | | 46,755 | 9,509 | 34,122 | 193 | 2,692 |
| 952 | | | | | | | | |
| 953 | Total for Account 2830, Accumulated Deferred Income Taxes | | | (205,120) | (39,872) | (151,798) | (289) | (13,197) |
| 954 | | | | | | | | |
| 955 | Total | | | (1,024,796) | (379,185) | (681,159) | (34,673) | (12,235) |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.6 ADFIT - DESCRIPTION OF TIMING DIFFERENCES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE

INDEX

| Line No | Timing Difference | Description | Remaining Life of Timing Difference |
|---------|---|--|---|
| 1 | Account 1900 | | |
| 2 | T10A01 REGULATORY LIABILITIES (SALES) | Books is deferring these revenues until they can be included in the rate base at which point the costs will be amortized over the term prescribed by the final order. | The regulatory liability is amortized as the amounts are refunded through rates. |
| 3 | T10A05 REGULATORY LIABILITIES (EXPENSE) | Books is deferring these revenues until they can be included in the rate base at which point the costs will be amortized over the term prescribed by the final order. | The regulatory liability is amortized as the amounts are refunded through rates. |
| 4 | T05S04 ACCRUED BONUSES | The estimated accruals for bonuses are expensed for books but are not deducted for tax until actually paid. | Reverses as payments are made |
| 5 | T05B01 BENEFIT EQUALIZATION & SAVING PLAN | The estimated accruals for benefit equalization and saving plan are expensed for books but are not deducted for tax until actually paid. | Reverses as payments are made |
| 6 | T05B46 STOCK OPTIONS EXERCISED | For book purposes, stock option expense is recognized over 3 year vesting period. For tax purposes, the deduction takes place when the options are exercised. | The balance of deferred taxes will reverse when the stock options are exercised. |
| 7 | T05B47 POST-RETIREMENT BENEFITS | The estimated accruals for post-retirement benefits are expensed for books but are not deducted for tax until actually paid. | Reverses as payments are made. |
| 8 | T05D01 DEFERRED COMPENSATION ACCRUAL | The estimated accruals for compensation are expensed for books but are not deducted for tax until actually paid | Reverses as payments are made. |
| 9 | T04P07 PARTNERSHIP K-1 INCOME | Differences between book and tax passthrough income is comprised of many temporary differences Total reversal of the difference will occur upon sale of ownership, or when book is equal to tax | Fluctuates over time, complete reversal occurs upon sale of ownership. |
| 10 | T07B01 BAD DEBT EXPENSE | An accrual for bad debt is set up for book purposes in a reserve account. For tax purposes, there is no deduction until there is a charge against the reserve when the actual loss is incurred. | The balance of deferred taxes on bad debt will reverse as charges are made against the reserve. |
| 11 | T01M04 ACCRETION EXPENSE | Accretion Expense occurs to true up the value of ARO's which have no tax basis | Reverses as related retirement obligations are paid. |
| 12 | T05I01 INJURIES AND DAMAGES ACCRUALS | The estimated accruals for injuries and damages are expensed for books but are not deducted for tax until actually paid. | The balance of deferred taxes on the Injuries & Damages Reserve will reverse as payments (charges) are made against the reserve |
| 13 | T05R30 OTHER RESERVES (Environ Liab) | For book purposes, the environmental liability is recognized as a provision and expensed but for tax is only deducted until actually paid | The balance of environmental liability will reverse when a disbursement is made against the environmental liability reserve |
| 14 | T06A50 DEBT ISSUANCE COST | For book purposes, financing costs reduce the amount of paid in capital or will be amortized while for tax purposes, these costs are generally amortized over the life of the debt. | The balance of deferred taxes will reverse over the life of the debt. |
| 15 | FAS 158 RE-MEASUREMENT RATE DIFF ADJUSTMENT | Immaterial miscellaneous ADFIT excluded from rate base | |
| 16 | EXCESS DFIT - GROSS UP - FED (FERC 190) | After an income tax rate change, the ADFIT balance on a company's books is remeasured to reflect the new income tax rate. EDIT is the excess of the ADFIT balance as of the day before the date of enactment over the amount that would be the balance if the new rate was in effect for all prior periods. This EDIT is then grossed-up for the income tax effect of the increase or decrease in income | It is amortized as the amounts are collected through rates |
| 17 | T07S08 MTM DERIVATIVE | For book purposes, accounting for derivatives takes a fair value approach. Gain and loss is recognized for mark-to-market in the current period. For tax purposes, the mark-to-market rules do not apply to hedging transactions, so gains and losses are not recognized on such events | The balance of deferred taxes will reverse when the derivatives are settled. |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.6 ADFIT - DESCRIPTION OF TIMING DIFFERENCES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE

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| Line No | Timing Difference | Description | Remaining Life of Timing Difference |
|---------|---|---|---|
| 18 | <u>Account 2820</u> | | |
| 19 | T08U01 UNIFORM CAPITALIZATION | For book, mixed services costs are capitalized to fixed assets. For tax, under section 263A certain mixed service costs are expensed as incurred. | The balance of deferred taxes will reverse over the book life of the underlying assets |
| 20 | T01D01 BOOK/TAX DEPRECIATION | CenterPoint has been claiming accelerated depreciation on its plant asset additions since the year 1969. This depreciation is based on various tax methods and lives as set forth in Internal Revenue Code sections 167 and 168. | The difference will reverse as the assets are depreciated and/or retired for both book and tax. |
| 21 | P07A01 PP&E PERMANENT DIFFERENCE | For book purposes, there is depreciation for AFUDC equity and no tax depreciation is available | Permanent adjustment and will not be reversed |
| 22 | T01M03 ARO | Asset Retirement obligations have no tax basis and are instead deducted as incurred | Reverses as retirement obligations are paid. |
| 23 | T01M13 CASUALTY LOSS | For book purposes casualty expense is recorded as a regulatory asset for future recovery or capitalized. For tax the casualty is deducted in the current period. | The balance of prepaid taxes will reverse when a disbursement is made against the casualty loss reserve |
| 24 | T01M14 DEDUCTIBLE REPAIRS & MAINTENANCE | Difference between repairs expenses deducted for tax purposes but included in the basis of the asset for book purposes. The difference reverses over time as books has more depreciation than tax. | Reverses over the life of the book life of the capitalized repairs. |
| 25 | T01M15 SELF DEVELOPED SOFTWARE | Internally developed software for tax purposes can be expensed in certain circumstances and for book purposes amortized over 3 years. These temporary differences are reversed over the respective lives until completely amortized or sold/impaird. | Reverses over the book / tax life of the asset |
| 26 | T01A02 AFUDC - DEBT | Basis difference related to interest capitalization, which is different for book and tax purposes | The balance is depreciated over the life of the asset. |
| 27 | T05C02 INCLUDE CIAC IN INCOME | Contributions are treated as taxable income when received but are a reduction of plant in service for books, which reverses over time as book depreciation. | Reverses over the life of the asset. |
| 28 | PRE TCJA EXCESS DFIT | Excess deferred income tax that relates to The Tax Reform Act of 1986 which reduced the then current 46% corporate income tax rate to 40% in 1987 and to 35% in 1988 and thereafter. | Reverses over regulatory life of the underlying assets |
| 29 | <u>Account 2830</u> | | |
| 30 | T05R37 REG ASSET - INCOME TAX | ASC 740 requires a regulatory asset be established for the equity component of AFUDC if, as a result of a regulator, it is probable that increases in taxes payable will be recovered from customers in future rates. | The regulatory asset is amortized as the amounts are collected through rates |
| 31 | T09S02 REG ASSET - BAD DEBT | For book purposes, CEHE is allowed to recover bad debt expenses through rate adjustments for defaults from competitive retailers. For tax purposes, the recognition of income associated with recovery of those cost is determined under § 451, which provides that recognition of revenue occurs at collection. The additional revenues are recognized once the all-events test of Treas. Reg. § 451-1(a) are met. CNP recovers the cost as a component of futures rates, therefore the all-events test of § 451 is not satisfied until the revenue is collected in a subsequent period. | The regulatory asset is amortized as the amounts are collected through rates |
| 32 | T09S03 REG ASSET - STRANDED COSTS | ADFIT related to stranded costs approved in other Dockets. This ADFIT is adjusted out of the current proceeding. | The regulatory asset is amortized as the amounts are collected through rates |
| 33 | T09S04 REG ASSET - OTHER | Books is deferring these costs until they can be included in rates at which point the costs will be amortized over the term prescribed by the final order. For tax purposes, a deduction is allowed for an expenditure in the period in which all events have occurred which determine the fact of liability, amount of liability can be determined with reasonable accuracy, and economic performance has occurred. | The regulatory asset is amortized as the amounts are collected through rates |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
11-E-3.6 ADFIT - DESCRIPTION OF TIMING DIFFERENCES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE

INDEX

| Line No. | Timing Difference | Description | Remaining Life of Timing Difference |
|----------|---|--|---|
| 34 | T09S05 REG ASSET - AMORTIZATION | Books is deferring these costs until they can be included in the rates at which point the costs will be amortized over the term prescribed by the final order. For tax purposes, a deduction is allowed for an expenditure in the period in which all events have occurred which determine the fact of liability, amount of liability can be determined with reasonable accuracy, and economic performance has occurred. | The regulatory asset is amortized as the amounts are collected through rates. |
| 35 | T09S06 REG ASSET - PENSION | Books is deferring these pension costs under PURA section 36.065(b) until they can be included in the rates at which point the costs will be amortized over the term prescribed by the final order. For tax purposes, a deduction is not allowed until a payment is actually made to the pension plan. | The regulatory asset is amortized as the amounts are collected through rates. |
| 36 | T09S08 REG ASSET - ARO | Asset Retirement obligations have no tax basis and are instead deducted as incurred. | Reverses as retirement obligations are paid. |
| 37 | EXCESS DFIT - GROSS UP - FED (FERC 283) | After an income tax rate change, the ADFIT balance on a company's books is remeasured to reflect the new income tax rate. EDIT is the excess of the ADFIT balance as of the day before the date of enactment over the amount that would be the balance if the new rate was in effect for all prior periods. This EDIT is then grossed-up for the income tax effect of the increase or decrease in income. | It is amortized as the amounts are refunded through rates. |
| 38 | OTHER MISC DFIT | Immaterial miscellaneous ADFIT excluded from rate base. | |
| 39 | T09S01 REG ASSET - EQUITY | Stranded Cost related contra regulatory asset equity interest accounts. This ADFIT is adjusted out in the current proceeding. | The regulatory asset is amortized as the amounts are collected through rates. |
| 40 | OTHER DFIT - FAS 133 | Effective interest rate hedges in AOCI are reported net of tax for financial statement purposes. Thus deferred balance offsets the deferred booked in AOCI. | Life of the hedge. |
| 41 | PREPAID PENSION ASSET SERVICE COMPANY | Expenses incurred to finance CEHE's pension and OPEB plans. Prepaid asset balance created when cumulative cash contributions exceed the cumulative actuarially determined pension expense under ASC 715. For tax purposes, a deduction is allowed when cash payments are actually made to the pension plan. | Life of pension asset. |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.7 ADJUSTMENTS TO ADFIT
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | Description | 1 Adjustment | 2 Explanation |
|----------|--|-----------------|--|
| 1 | Net ADFIT at December 31, 2018 Per Books | (1,028,796) | |
| 2 | | | |
| 3 | Account 1900 | | |
| 4 | Deferred Credits | | |
| 5 | Regulatory Liabilities (Sales) | (10,742) | Adjustment to match underlying item to rate base |
| 6 | Regulatory Liabilities (Expense) | (3,510) | Adjustment to match underlying item to rate base |
| 7 | Accrued Bonuses | - | |
| 8 | Benefit Equalization & Saving Plan | (42) | Adjustment to match underlying item to rate base |
| 9 | Stock Options Exercised | (1,047) | Adjustment to match underlying item to rate base |
| 10 | Post-Retirement Benefits | (14,172) | Adjustment to match underlying item to rate base |
| 11 | Deferred Compensation Accrual | (1,786) | Adjustment to match underlying item to rate base |
| 12 | Partnership K-1 Income | (3) | Adjustment to match underlying item to rate base |
| 13 | Bad Debt Expense | (245) | Adjustment to match underlying item to rate base |
| 14 | Accretion Expense | (7,032) | ARO is not a rate base item |
| 15 | Injuries And Damages Accruals | - | |
| 16 | Other Reserves (Environ Liab) | (390) | Adjustment to match underlying item to rate base |
| 17 | Debt Issuance Cost | (22) | Adjustment to match underlying item to rate base |
| 18 | FAS 158 Re-Measurement Rate Diff Adjustment | (3) | Adjustment to match underlying item to rate base |
| 19 | Excess DFIT - Gross Up - Fed (FERC 190) Protected | - | |
| 20 | Excess DFIT - Gross Up - Fed (FERC 190) Unprotected | (53,157) | Unprotected requested in Rider UEDIT |
| 21 | Total Deferred Credits | (92,151) | |
| 22 | | | |
| 23 | Deferred Debits | | |
| 24 | MTM - Derivative | (4,892) | Adjustment to match underlying item to rate base |
| 25 | | | |
| 26 | Total Deferred Debits | (4,892) | |
| 27 | | | |
| 28 | Total for Account 1900, Accumulated Deferred Income Taxes | (97,043) | |
| 29 | | | |
| 30 | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.7 ADJUSTMENTS TO ADFIT
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | Description | 1 Adjustment | 2 Explanation |
|----------|--|-----------------|--|
| 31 | <u>Account 2820</u> | | |
| 32 | <u>Deferred Credits</u> | | |
| 33 | Uniform Capitalization | - | |
| 34 | Book/Tax Depreciation | (10,609) | Adjustment to remove AMS from rate base |
| 35 | PP&E Permanent Difference | 16,110 | Adjustment to match underlying item to rate base |
| 36 | ARO | 2,053 | ARO is not a rate base item |
| 37 | Casualty Loss | - | |
| 38 | Deductible Repairs & Maintenance | - | |
| 39 | Self Developed Software | - | |
| 40 | | | |
| 41 | <u>Total Deferred Credits</u> | <u>7,554</u> | |
| 42 | | | |
| 43 | <u>Deferred Debits</u> | | |
| 44 | AFUDC - Debt | - | |
| 45 | Include CIAC In Income | - | |
| 46 | Pre TCJA Excess DFIT | - | |
| 47 | | | |
| 48 | <u>Total Deferred Debits</u> | <u>-</u> | |
| 49 | | | |
| 50 | <u>Total for Account 2820, Accumulated Deferred Income Taxes</u> | <u>7,554</u> | |
| 51 | | | |
| 52 | | | |
| 53 | <u>Account 2830</u> | | |
| 54 | <u>Deferred Credits</u> | | |
| 55 | Reg Asset - Income Tax | 4,282 | Adjustment to match underlying item to rate base |
| 56 | Reg Asset - Bad Debt | - | |
| 57 | Reg Asset - Stranded Costs | 186,336 | Adjustment to match underlying item to rate base |
| 58 | Reg Asset - Other | 335 | Adjustment to match underlying item to rate base |
| 59 | Reg Asset - Amortization | 12,199 | Adjustment to match underlying item to rate base |
| 60 | Reg Asset - Pension | (12,939) | Adjustment to match underlying item to rate base |
| 61 | Reg Asset - ARO | 4,978 | ARO is not a rate base item |
| 62 | Excess DFIT - Gross Up - FED (FERC 283) | 32,063 | Unprotected requested in Rider UEDIT |
| 63 | Other Misc DFIT | 502 | Adjustment to match underlying item to rate base |
| 64 | Other Misc DFIT - FAS 133 | (3,690) | Adjustment to match underlying item to rate base |
| 65 | | | |
| 66 | <u>Total Deferred Credits</u> | <u>224,066</u> | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.7 ADJUSTMENTS TO ADFIT
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | Description | 1 | | 2 | |
|-------------|--|------------------|--|--|--|
| | | Adjustment | | Explanation | |
| 67 | | | | | |
| 68 | Deferred Debits | | | | |
| 69 | Reg Asset - Equity | (43,065) | | Adjustment to match underlying item to rate base | |
| 70 | Prepaid Pension Asset Service Company | (37,016) | | Adjustment to match underlying item to rate base | |
| 71 | | | | | |
| 72 | Total Deferred Debits | (80,081) | | | |
| 73 | | | | | |
| 74 | Total for Account 2830, Accumulated Deferred Income Taxes | 143,985 | | | |
| 75 | | | | | |
| 76 | Total | 54,496 | | | |
| 77 | | | | | |
| 78 | Total Adjustments | 54,496 | | | |
| 79 | | | | | |
| 80 | Net ADFIT at December 31, 2018 | (974,300) | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.8 ADFIT AND ITC - PLANT ADJ. AND ALLOCATIONS
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

| Line No | Temporary Difference | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|------------|--------------------------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|----------------|---------------|----------------|
| | | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Total ADFIT |
| 1 | 3 Fed Method/Life | 43,790 | 67,578 | 57,428 | 53,137 | 68,826 | 102,259 | 79,087 | 99,042 | 19,731 | 590,878 |
| 2 | 3 Fed ARO | - | - | 949 | 441 | 221 | 135 | (488) | 72 | 574 | 1,904 |
| 3 | 3 Fed Casualty Loss | 589 | 233 | 1,441 | 1,582 | 2,339 | 3,233 | 3,362 | - | - | 12,779 |
| 4 | 3 Fed Developed Software | - | - | - | - | 341 | 1,809 | 397 | 2,843 | 2,388 | 7,777 |
| 5 | 3 Fed Hurricane Capitalization | - | - | - | - | - | - | - | (11,732) | - | (11,732) |
| 6 | 3 Fed Mixed Service Costs | 2,459 | 866 | 5,140 | 6,443 | 8,905 | 16,893 | 13,882 | 11,929 | 17,253 | 83,770 |
| 7 | 3 Fed Non-Cash Salvage | 241 | 116 | 217 | - | - | - | - | - | - | 574 |
| 8 | 3 Fed Normalized Diff | (308) | (345) | (738) | (569) | (1,406) | (973) | (1,607) | (1,291) | (1,318) | (8,556) |
| 9 | 3 Fed Other Adj | 225 | (102) | - | - | - | - | - | - | - | 122 |
| 10 | 3 Fed Other Adjustment | - | (17) | - | - | - | - | - | - | - | (17) |
| 11 | 3 Fed Repair Allowance | 1,132 | - | - | - | - | - | - | - | - | 1,132 |
| 12 | 3 Fed AFUDC Equity FT | 843 | 892 | 1,831 | 1,521 | 4,126 | 2,767 | 2,042 | 3,255 | 4,193 | 21,470 |
| 13 | 3 Fed Other Bonus Depr | (747) | (261) | (1,539) | (2,556) | (3,758) | (2,273) | (6,136) | (5,465) | - | (22,735) |
| 14 | 3 Fed T&D Repairs | 1,938 | 914 | 5,835 | 8,412 | 12,914 | 11,927 | 12,777 | 14,455 | 17,548 | 86,719 |
| 15 | 3 Fed Taxable CIAC | (2,316) | (4,738) | (6,651) | (7,751) | (10,970) | (11,282) | (12,380) | (11,000) | (15,190) | (82,278) |
| 16 | | | | | | | | | | | |
| 17 | Total | 47,845 | 65,136 | 63,914 | 60,661 | 81,537 | 124,494 | 90,935 | 102,108 | 45,178 | 681,807 |

Note: Includes AMS

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.8 ADFIT AND ITC - PLANT ADJ. AND ALLOCATIONS
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

| Line No. | Temporary Difference | 11 | 12 | 13 | 14 | 15 | 16 | 17 |
|----------|--------------------------------|------|-------------------|----------------|----------------|---------------|--------------|----------------|
| | | FF # | Functionalization | TRAN | DIST | MET | TDCS | TOTAL |
| 1 | 3 Fed Method/Life | 15 | PLTSVC-N | 211,218 | 358,850 | 14,718 | 6,091 | 590,878 |
| 2 | 3 Fed ARO | 15 | PLTSVC-N | 681 | 1,156 | 47 | 20 | 1,904 |
| 3 | 3 Fed Casualty Loss | 15 | PLTSVC-N | 4,568 | 7,761 | 318 | 132 | 12,779 |
| 4 | 3 Fed Developed Software | 15 | PLTSVC-N | 2,780 | 4,723 | 194 | 80 | 7,777 |
| 5 | 3 Fed Hurricane Capitalization | 15 | PLTSVC-N | (4,194) | (7,125) | (292) | (121) | (11,732) |
| 6 | 3 Fed Mixed Service Costs | 15 | PLTSVC-N | 29,945 | 50,875 | 2,087 | 864 | 83,770 |
| 7 | 3 Fed Non-Cash Salvage | 15 | PLTSVC-N | 205 | 349 | 14 | 6 | 574 |
| 8 | 3 Fed Normalized Diff | 15 | PLTSVC-N | (3,058) | (5,196) | (213) | (88) | (8,556) |
| 9 | 3 Fed Other Adj | 15 | PLTSVC-N | 44 | 74 | 3 | 1 | 122 |
| 10 | 3 Fed Other Adjustment | 15 | PLTSVC-N | (6) | (11) | (0) | (0) | (17) |
| 11 | 3 Fed Repair Allowance | 15 | PLTSVC-N | 405 | 687 | 28 | 12 | 1,132 |
| 12 | 3 Fed AFUDC Equity FT | 15 | PLTSVC-N | 7,675 | 13,039 | 535 | 221 | 21,470 |
| 13 | 3 Fed Other Bonus Depr | 15 | PLTSVC-N | (8,127) | (13,807) | (566) | (234) | (22,735) |
| 14 | 3 Fed T&D Repairs | 15 | PLTSVC-N | 30,999 | 52,666 | 2,160 | 894 | 86,719 |
| 15 | 3 Fed Taxable CIAC | 15 | PLTSVC-N | (29,412) | (49,969) | (2,049) | (848) | (82,278) |
| 16 | | | | | | | | |
| 17 | Total | | | 243,723 | 414,073 | 16,983 | 7,029 | 681,807 |

Note: Includes AMS

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.9 ANALYSIS OF ITCs
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE**

INDEX

CenterPoint Energy Houston Electric, LLC had no new ITC or historical amortization during the test period.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.10 UTILIZED
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE

INDEX

CenterPoint Energy Houston Electric, LLC had no new ITC or historical amortization during the test period.

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.11 GENERATED BUT NOT UTILIZED
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE**

INDEX

CenterPoint Energy Houston Electric, LLC had no new ITC or historical amortization during the test period.

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.12 UTILIZED - STAND ALONE BASIS
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE**

INDEX

CenterPoint Energy Houston Electric, LLC had no new ITC or historical amortization during the test period.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.13 ITC ELECTION
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE

INDEX

- 1 CenterPoint Energy Houston Electric, LLC has made the following ITC elections:
2
3 Ratable flow through of Investment Tax Credit (ITC) as a reduction to cost of service under the provision of Internal Revenue Code Section 46(f)(2).
4
5 A 10% ITC rate with tax basis reduction for 50% of the ITC amount for years 1983-1985, in lieu of taking ITC at 8% with no tax basis reduction. ITC
6 generated after 1985 was subject to a full basis reduction with no election available for a reduced ITC rate.
7
8 Advance ITC claimed on qualified progress expenditures under the provision of Internal Revenue Code Section 46(d)(6).
9
10 A reduction of the ITC percentage from 10% to 8% for new leased property which is other than 3-year property and from 6% to 4% for new 3-year
11 leased property, in lieu of reducing the asset basis by 50% of the regular ITC amount, under the provision of Internal Code Section 48(q)(4)(B). This
election was made for years 1983-1985.
12
13 CenterPoint Energy Houston Electric, LLC had no new ITC or historical amortization during the test period.

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.14 FERC ACCOUNT 255 BALANCE
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE**

INDEX

CenterPoint Energy Houston Electric, LLC had no new ITC or historical amortization during the test period.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.15 ANALYSIS OF FEDERAL INCOME TAX
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

ANALYSIS OF FEDERAL INCOME TAXES
TAX METHOD 2

| Line No | Description | Test Period | Schedule Reference | Total Requested |
|---------|---|-----------------|--------------------|-----------------|
| 1 | Total Revenue Requirement | 2,640,232 | I-A-1 | 2,284,110 |
| 2 | <i>Less Cost of Service items:</i> | | | |
| 3 | Fuel Expense | - | N/A | - |
| 4 | Other O & M Expense | 1,442,017 | II-D-2 | 1,164,703 |
| 5 | Depreciation and Amortization | 374,836 | II-E-1 | 358,039 |
| 6 | Taxes Other Than Income | 250,803 | II-E-2 | 278,944 |
| 7 | Interest on Customers' Deposits | 3,887 | II-E-4 | 447 |
| 8 | <i>Less Deductions not included in Cost of Service:</i> | | | |
| 9 | Interest Expense on Debt (including amount capitalized) | 140,348 | II-E-3 | 140,494 |
| 10 | Additional Tax Depreciation* | - | N/A | 0 |
| 11 | Capitalized Taxes | - | N/A | - |
| 12 | Other deductions (specify) | 3,181 | II-E-5 | (67,903) |
| 13 | | | | |
| 14 | Net Income Before Taxes | 425,161 | | 409,387 |
| 15 | | | | |
| 16 | Permanent Differences | | | |
| 17 | AFUDC Equity | (10,406) | | - |
| 18 | Non-deductible Club Dues | 9 | | - |
| 19 | Non-deductible Parking and Transit | 114 | WP II-E.3.15 | 114 |
| 20 | CSV Over Officer Life Insurance Premium | (10,969) | | - |
| 21 | Nondeductible Lobbying Expenses | 2,616 | | - |
| 22 | Meals & Entertainment | 579 | WP II-E.3.15 | 579 |
| 23 | Fines & Penalties | 40 | | - |
| 24 | Diesel Fuel Credit Disallowance | 3 | WP II-E.3.15 | 3 |
| 25 | Permanent Depreciation Difference | 4,728 | WP II-E.3.15 | 4,364 |
| 26 | | | | |
| 27 | Total Permanent Differences | (13,285) | | 5,060 |
| 28 | | | | |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.15 ANALYSIS OF FEDERAL INCOME TAX
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

ANALYSIS OF FEDERAL INCOME TAXES

TAX METHOD 2

| Line No. | Description | Test Period | Schedule Reference | Total Requested |
|----------|--------------------------------------|-------------|--------------------|-----------------|
| 29 | Temporary Differences | | | |
| 30 | Uniform Capitalization | (83,550) | WP II-E 3 15 | (83,550) |
| 31 | AFUDC - Debt | 5,775 | WP II-E 3 15 | 5,775 |
| 32 | Book/Tax Depreciation | 33,989 | WP II-E 3 15 | 33,989 |
| 33 | Book/Tax Gain/Loss Difference | (86,839) | WP II-E.3.15 | (86,839) |
| 34 | 481(a) Adjustment | (141,388) | | - |
| 35 | Deductible Repairs & Maintenance | (86,816) | WP II-E.3.15 | (86,816) |
| 36 | Self Developed Software | (12,363) | WP II-E.3 15 | (12,363) |
| 37 | Include CIAC In Income | 75,151 | WP II-E.3 15 | 75,151 |
| 38 | Reg Asset - Equity | (63,314) | WP II-E 3.15 | - |
| 39 | Reg Asset - Bad Debt | (1,058) | WP II-E.3.15 | (1,058) |
| 40 | Reg Asset - Stranded Costs | (28,372) | | - |
| 41 | Reg Asset - Other | (4,648) | WP II-E 3.15 | (4,648) |
| 42 | Reg Asset - Amortization | (2,771) | WP II-E 3.15 | (2,771) |
| 43 | Reg Asset - Pension | (5,274) | WP II-E 3.15 | (5,274) |
| 44 | Regulatory Liabilities (Sales) | 25,332 | WP II-E 3 15 | 25,332 |
| 45 | Regulatory Liabilities (Expense) | 20,963 | WP II-E.3.15 | 20,963 |
| 46 | Accrued Bonuses | (1,233) | WP II-E 3.15 | (1,233) |
| 47 | Benefit Equalization & Saving Plan | 29 | WP II-E 3.15 | 29 |
| 48 | Restricted Stock Accrual/(Deduction) | 458 | WP II-E.3.15 | 458 |
| 49 | Post-Retirement Benefits | (1,333) | WP II-E 3.15 | (1,333) |
| 50 | Deferred Compensation Accrual | (530) | WP II-E 3 15 | (530) |
| 51 | Partnership K-1 Income | 4 | WP II-E 3 15 | 4 |
| 52 | Injuries And Damages Accruals | (41) | WP II-E 3.15 | (41) |
| 53 | Environmental Liability | (67) | WP II-E 3.15 | (67) |
| 54 | Debt Issuance Cost | (4) | WP II-E 3.15 | (4) |
| 55 | MTM - Derivative | 23,467 | WP II-E.3.15 | 23,467 |
| 56 | | | | |
| 57 | Total Temporary Differences | (334,432) | | (101,358) |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.15 ANALYSIS OF FEDERAL INCOME TAX
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN / C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

ANALYSIS OF FEDERAL INCOME TAXES
TAX METHOD 2

| Line No. | Description | Test Period | Schedule Reference | Total Requested |
|----------|--|-------------|--------------------|-----------------|
| 58 | | | | |
| 59 | | | | |
| 60 | Total Temporary Differences and Tax Attributes | (334,432) | | (101,358) |
| 61 | | | | |
| 62 | Taxable Income before State Tax | 77,444 | | 313,089 |
| 63 | Less Current State Tax Provision | (18,414) | | |
| 64 | | 59,029 | | 313,089 |
| 65 | | | | |
| 66 | Tax Rate | 21% | | 21% |
| 67 | | | | |
| 68 | Regular Federal Income Taxes Before Credits | 12,396 | | 65,749 |
| 69 | Prior Year Adjustments - RTA | (12,603) | | - |
| 70 | Restricted Stock Excess Tax Benefit | (56) | WP II-E 3.15 | (56) |
| 71 | R&D Tax Credit | (2,854) | WP II-E 3.15 | (1,268) |
| 72 | Charitable Contribution (Utilization) Generation | (678) | | - |
| 73 | | | | |
| 74 | Current Federal Income Taxes | (3,796) | | 64,425 |
| 75 | | | | |
| 76 | Amortization of ITC | - | | - |
| 77 | Deferred State Income Taxes Exp | (327) | WP II-E 3.1 | - |
| 78 | | | | |
| 79 | Deferred Income Taxes on Temporary Differences | 70,299 | | 21,285 |
| 80 | Charitable Contribution Utilization (Generation) | 678 | | - |
| 81 | Medicare Part D - Reg. Asset | (1,624) | WP II-E 3.15 | 8,744 |
| 82 | Amortization of Excess DFTT - Protected | - | WP II-E 3.15 | (18,659) |
| 83 | Amortization of Excess DFTT - Unprotected | (8,845) | | - |
| 84 | Prior Year Adjustments - RTA | 14,206 | | - |
| 85 | | | | |
| 86 | Total Deferred Federal Income Taxes** | 74,714 | | 11,370 |
| 87 | | | | |
| 88 | Total Requested Federal Income Taxes | 70,918 | | 75,794 |
| | Check | (0) | | |

Notes:

Workpapers supporting all figures not found elsewhere in rate filing package should accompany this analysis.

* Excess of Tax Depreciation over Depreciation Claimed in Cost of Service

** Must agree with Deferred Tax Analysis

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.16 ANALYSIS OF DEFERRED FEDERAL INCOME TAXES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

ANALYSIS OF DEFERRED FEDERAL INCOME TAXES

| Line No. | Item Deferred | Test Period Amount Booked | | Amount Requested | |
|----------|--|---------------------------|------------------|------------------|------------------|
| | | Basis* | (x) Tax Rate 21% | Basis* | (x) Tax Rate 21% |
| 1 | Uniform Capitalization | (83,550) | (17,545) | (83,550) | (17,545) |
| 2 | AFUDC - Debt | 5,775 | 1,213 | 5,775 | 1,213 |
| 3 | Book/Tax Depreciation | 33,989 | 7,138 | 33,989 | 7,138 |
| 4 | Book/Tax Gain/Loss Difference | (86,839) | (18,236) | (86,839) | (18,236) |
| 5 | 481(a) Adjustment | (141,388) | (29,692) | - | - |
| 6 | Deductible Repairs & Maintenance | (86,816) | (18,231) | (86,816) | (18,231) |
| 7 | Self Developed Software | (12,363) | (2,596) | (12,363) | (2,596) |
| 8 | Include CIAC In Income | 75,151 | 15,782 | 75,151 | 15,782 |
| 9 | Reg Asset - Equity | (63,314) | (13,296) | - | - |
| 10 | Reg Asset - Bad Debt | (1,058) | (222) | (1,058) | (222) |
| 11 | Reg Asset - Stranded Costs | (28,372) | (5,958) | - | - |
| 12 | Reg Asset - Other | (4,648) | (976) | (4,648) | (976) |
| 13 | Reg Asset - Amortization | (2,771) | (582) | (2,771) | (582) |
| 14 | Reg Asset - Pension | (5,274) | (1,107) | (5,274) | (1,107) |
| 15 | Regulatory Liabilities (Sales) | 25,332 | 5,320 | 25,332 | 5,320 |
| 16 | Regulatory Liabilities (Expense) | 20,963 | 4,402 | 20,963 | 4,402 |
| 17 | Accrued Bonuses | (1,233) | (259) | (1,233) | (259) |
| 18 | Benefit Equalization & Saving Plan | 29 | 6 | 29 | 6 |
| 19 | Restricted Stock Accrual/(Deduction) | 458 | 96 | 458 | 96 |
| 20 | Post-Retirement Benefits | (1,333) | (280) | (1,333) | (280) |
| 21 | Deferred Compensation Accrual | (530) | (111) | (530) | (111) |
| 22 | Partnership K-1 Income | 4 | 1 | 4 | 1 |
| 23 | Injuries And Damages Accruals | (41) | (9) | (41) | (9) |
| 24 | Environmental Liability | (67) | (14) | (67) | (14) |
| 25 | Debt Issuance Cost | (4) | (1) | (4) | (1) |
| 26 | MTM - Derivative | 23,467 | 4,928 | 23,467 | 4,928 |
| 27 | Deferred State Income Taxes Exp | (327) | (69) | - | - |
| 28 | Tax Only Items: | | | | |
| 29 | Charitable Contribution Utilization (Generation) | | (678) | | - |
| 30 | Medicare Part D - Reg Asset | | 1,624 | | (8,744) |
| 31 | Amortization of Excess DFIT - Protected | | - | | 18,659 |
| 32 | Amortization of Excess DFIT - Unprotected | | 8,845 | | - |
| 33 | Prior Year Adjustments - RTA | | (14,206) | | - |
| 34 | | | | | |
| 35 | Total Deferred Federal Income Tax | (334,759) | (74,714) | (101,358) | (11,370) |

NOTE 1: Attach workpapers supporting computations if figures are not included in the rate filing package

NOTE 2: Timing difference described in Schedule II-E-3.6

* From amounts included in Analysis of Federal Income Taxes

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.17 ANALYSIS OF ADDITIONAL DEPRECIATION REQUESTED
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | Additional Depreciation Components | Total Additional Depreciation Requested |
|----------|------------------------------------|---|
| 1 | AFUDC - Net of Tax Debt | 71 |
| 2 | AFUDC - Equity FT | 4,293 |
| 3 | | |
| 4 | Total | 4,364 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.18 AMORTIZATION OF PROTECTED AND UNPROTECTED
EXCESS DEFERRED TAXES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | Description | 1 Total Company | 2 Non-Regulated or Non-Electric | 3 Known and Measurable Changes | 4 Company Total Electric | 5 FF # | 6 Functionalization Factor Name | 7 Allocation to Texas |
|----------|---|--------------------|---------------------------------------|---|--------------------------------|-----------|---------------------------------------|-----------------------------|
| 1 | Protected excess deferred taxes | | | | | | | |
| 2 | Liberalized depreciation (Protected) | 18,659 | - | - | 18,659 | 21 | GPLT | 18,659 |
| 3 | | | | | | | | |
| 4 | Total protected excess deferred taxes | 18,659 | - | - | 18,659 | | | 18,659 |
| 5 | | | | | | | | |
| 6 | Unprotected excess deferred taxes | | | | | | | |
| 7 | Liberalized depreciation (Unprotected) | (18,659) | - | 18,659 | - | 1 | DA | - |
| 8 | PP&E (CIAC) | (5,904) | - | 5,904 | - | 1 | DA | - |
| 9 | PP&E (Repairs and Maintenance) | 7,117 | - | (7,117) | - | 1 | DA | - |
| 10 | PP&E (Casualty Loss) | 7,351 | - | (7,351) | - | 1 | DA | - |
| 11 | PP&E (Developed Software) | 725 | - | (725) | - | 1 | DA | - |
| 12 | PP&E (AFUDC Debt) | (443) | - | 443 | - | 1 | DA | - |
| 13 | | | | | | | | |
| 14 | Total Unprotected excess deferred taxes related to PP&E | (9,814) | - | 9,814 | - | | | - |
| 15 | | | | | | | | |
| 16 | Partnership K-1 Income | - | - | - | - | 1 | DA | - |
| 17 | Benefit Equalization & Saving Plan | - | - | - | - | 1 | DA | - |
| 18 | Stock Options Exercised | - | - | - | - | 1 | DA | - |
| 19 | Post-Retirement Benefits | - | - | - | - | 1 | DA | - |
| 20 | Deferred Compensation Accrual | - | - | - | - | 1 | DA | - |
| 21 | Injuries And Damages Accruals | - | - | - | - | 1 | DA | - |
| 22 | Other Reserves (Environ Liab) | - | - | - | - | 1 | DA | - |
| 23 | Accrued Bonuses | - | - | - | - | 1 | DA | - |
| 24 | Debt Issuance Cost | - | - | - | - | 1 | DA | - |
| 25 | Bad Debt Expense | - | - | - | - | 1 | DA | - |
| 26 | Reg Asset - Bad Debt | - | - | - | - | 1 | DA | - |
| 27 | Reg Asset - Stranded Costs | - | - | - | - | 1 | DA | - |
| 28 | Reg Asset - Other | - | - | - | - | 1 | DA | - |
| 29 | Reg Asset - Amortization | - | - | - | - | 1 | DA | - |
| 30 | Reg Asset - Pension | - | - | - | - | 1 | DA | - |
| 31 | Regulatory Liabilities (Sales) | - | - | - | - | 1 | DA | - |
| 32 | Regulatory Liabilities (Expense) | - | - | - | - | 1 | DA | - |
| 33 | Charitable Contribution Carryover | - | - | - | - | 1 | DA | - |
| 34 | | | | | | | | |
| 35 | Total Unprotected Excess Deferred Taxes - Other | - | - | - | - | | | - |
| 36 | | | | | | | | |
| 37 | Total Excess Deferred Income Taxes | 8,845 | - | 9,814 | 18,659 | | | 18,659 |

Note Protected EDIT is being amortized using Average Rate Assumption Method (ARAM). See testimony of Charles W. Pringle for explanations

Unprotected EDIT requested in Rider UEDIT

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.18 AMORTIZATION OF PROTECTED AND UNPROTECTED
EXCESS DEFERRED TAXES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

| Line No. | Description | 8 | 9 | 10 | 11 | 12 |
|-------------|--|--------------|---------------|------------|------------|---------------|
| | | TRAN | DIST | MET | TDCS | Total |
| 1 | Protected excess deferred taxes | | | | | |
| 2 | Liberalized depreciation (Protected) | 5,936 | 11,935 | 565 | 223 | 18,659 |
| 3 | | | | | | |
| 4 | Total protected excess deferred taxes | 5,936 | 11,935 | 565 | 223 | 18,659 |
| 5 | | | | | | |
| 6 | Unprotected excess deferred taxes | | | | | |
| 7 | Liberalized depreciation (Unprotected) | - | - | - | - | - |
| 8 | PP&E (CIAC) | - | - | - | - | - |
| 9 | PP&E (Repairs and Maintenance) | - | - | - | - | - |
| 10 | PP&E (Casualty Loss) | - | - | - | - | - |
| 11 | PP&E (Developed Software) | - | - | - | - | - |
| 12 | PP&E (AFUDC Debt) | - | - | - | - | - |
| 13 | | | | | | |
| 14 | Total Unprotected excess deferred taxes related to PP&E | - | - | - | - | - |
| 15 | | | | | | |
| 16 | Partnership K-1 Income | - | - | - | - | - |
| 17 | Benefit Equalization & Saving Plan | - | - | - | - | - |
| 18 | Stock Options Exercised | - | - | - | - | - |
| 19 | Post-Retirement Benefits | - | - | - | - | - |
| 20 | Deferred Compensation Accrual | - | - | - | - | - |
| 21 | Injuries And Damages Accruals | - | - | - | - | - |
| 22 | Other Reserves (Environ Liab) | - | - | - | - | - |
| 23 | Accrued Bonuses | - | - | - | - | - |
| 24 | Debt Issuance Cost | - | - | - | - | - |
| 25 | Bad Debt Expense | - | - | - | - | - |
| 26 | Reg Asset - Bad Debt | - | - | - | - | - |
| 27 | Reg Asset - Stranded Costs | - | - | - | - | - |
| 28 | Reg Asset - Other | - | - | - | - | - |
| 29 | Reg Asset - Amortization | - | - | - | - | - |
| 30 | Reg Asset - Pension | - | - | - | - | - |
| 31 | Regulatory Liabilities (Sales) | - | - | - | - | - |
| 32 | Regulatory Liabilities (Expense) | - | - | - | - | - |
| 33 | Charitable Contribution Carryover | - | - | - | - | - |
| 34 | | | | | | |
| 35 | Total Unprotected Excess Deferred Taxes - Other | - | - | - | - | - |
| 36 | | | | | | |
| 37 | Total Excess Deferred Income Taxes | 5,936 | 11,935 | 565 | 223 | 18,659 |

Note: Protected EDIT is being amortized using Average Rate Assumption Method (ARAM). See testimony of Charles W. Pringle for explanations

Unprotected EDIT requested in Rider UEDIT

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.19 ANALYSIS OF EXCESS DEFERRED TAXES BY TIMING DIFFERENCE
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDEX

| Line No | FERC Account | Description | Schedule Reference | 1 Balance at Test Year Beginning | 2 Test Year Amortization As Adjusted | 3 Balance at Test Year End | 4 Rate Base Adjustment | 5 Rate Base EDIT |
|---------|--------------|--|--------------------|-------------------------------------|---|-------------------------------|---------------------------|---------------------|
| 1 | | Protected excess deferred taxes | | | | | | |
| 2 | | Liberalized depreciation | II-E-3 18 | (582,756) | 18,659 | (564,097) | - | (564,097) |
| 3 | | | | | | | | |
| 4 | | Total Protected Excess Deferred Taxes | | (582,756) | 18,659 | (564,097) | - | (564,097) |
| 5 | | | | | | | | |
| 6 | | Unprotected excess deferred taxes | II-E-3 18 | | | | | |
| 7 | | Liberalized depreciation (Unprotected) | II-E-3 18 | - | (18,659) | (18,659) | 18,659 | - |
| 8 | | PP&E (CIAC) | II-E-3 18 | 60,730 | (5,904) | 54,825 | (54,825) | - |
| 9 | | PP&E (Repairs and Maintenance) | II-E-3 18 | (73,204) | 7,117 | (66,087) | 66,087 | - |
| 10 | | PP&E (Casualty Loss) | II-E-3 18 | (75,605) | 7,351 | (68,254) | 68,254 | - |
| 11 | | PP&E (Developed Software) | II-E-3 18 | (7,452) | 725 | (6,727) | 6,727 | - |
| 12 | | PP&E (AFUDC Debt) | II-E-3 18 | 4,560 | (443) | 4,117 | (4,117) | - |
| 13 | | | | | | | | |
| 14 | | Total Unprotected Excess Deferred Taxes Related to PP&E | | (90,971) | (9,814) | (100,785) | 100,785 | - |
| 15 | | | | | | | | |
| 16 | | Partnership K-1 Income | II-E-3 18 | 2 | - | 2 | (2) | - |
| 17 | | Benefit Equalization & Saving Plan | II-E-3 18 | 24 | - | 24 | (24) | - |
| 18 | | Stock Options Exercised | II-E-3 18 | 634 | - | 634 | (634) | - |
| 19 | | Post-Retirement Benefits | II-E-3 18 | 16,607 | - | 16,607 | (16,607) | - |
| 20 | | Deferred Compensation Accrual | II-E-3 18 | 1,357 | - | 1,357 | (1,357) | - |
| 21 | | Injuries And Damages Accruals | II-E-3 18 | 1,792 | - | 1,792 | (1,792) | - |
| 22 | | Other Reserves (Environ Liab) | II-E-3 18 | 269 | - | 269 | (269) | - |
| 23 | | Accrued Bonuses | II-E-3 18 | 173 | - | 173 | (173) | - |
| 24 | | Debt Issuance Cost | II-E-3 18 | 16 | - | 16 | (16) | - |
| 25 | | Bad Debt Expense | II-E-3 18 | 164 | - | 164 | (164) | - |
| 26 | | Reg Asset - Bad Debt | II-E-3 18 | (72) | - | (72) | 72 | - |
| 27 | | Reg Asset - Stranded Costs | II-E-3 18 | (409) | - | (409) | 409 | - |
| 28 | | Reg Asset - Other | II-E-3 18 | (542) | - | (542) | 542 | - |
| 29 | | Reg Asset - Amortization | II-E-3 18 | (18,053) | - | (18,053) | 18,053 | - |
| 30 | | Reg Asset - Pension | II-E-3 18 | 3,273 | - | 3,273 | (3,273) | - |
| 31 | | Regulatory Liabilities (Sales) | II-E-3 18 | 3,641 | - | 3,641 | (3,641) | - |
| 32 | | Regulatory Liabilities (Expense) | II-E-3 18 | 7,895 | - | 7,895 | (7,895) | - |
| 33 | | Charitable Contribution Carryover | II-E-3 18 | 452 | - | 452 | (452) | - |
| 34 | | | | | | | | |
| 35 | | Total Unprotected Excess Deferred Taxes - Other | | 17,222 | - | 17,222 | (17,222) | - |
| 36 | | | | | | | | |
| 37 | | Total Excess Deferred Income Taxes | | (656,504) | 8,845 | (647,660) | 83,563 | (564,097) |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.19 ANALYSIS OF EXCESS DEFERRED TAXES BY TIMING DIFFERENCE
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE
(THOUSANDS OF DOLLARS)

INDLX

| Line No. | FERC Account | Description | Schedule Reference | 6 FF # | 7 Functionalization Factor Name | 8 Allocation to Texas | 9 TRAN | 10 DIST | 11 MET | 12 TDCS | 13 Total |
|----------|--------------|--|--------------------|-----------|------------------------------------|--------------------------|------------------|------------------|-----------------|----------------|------------------|
| 1 | | Protected excess deferred taxes | | | | | | | | | |
| 2 | | Liberalized depreciation | II-E-3 18 | 21 | GPLT | (564,097) | (179,461) | (360,823) | (17,082) | (6,731) | (564,097) |
| 3 | | | | | | | | | | | |
| 4 | | Total Protected Excess Deferred Taxes | | | | (564,097) | (179,461) | (360,823) | (17,082) | (6,731) | (564,097) |
| 5 | | | | | | | | | | | |
| 6 | | Unprotected excess deferred taxes | II-E-3 18 | | | | | | | | |
| 7 | | Liberalized depreciation (Unprotected) | II-E-3.18 | 1 | DA | - | - | - | - | - | - |
| 8 | | PP&E (CIAC) | II-E-3 18 | 1 | DA | - | - | - | - | - | - |
| 9 | | PP&E (Repairs and Maintenance) | II-E-3.18 | 1 | DA | - | - | - | - | - | - |
| 10 | | PP&E (Casualty Loss) | II-E-3.18 | 1 | DA | - | - | - | - | - | - |
| 11 | | PP&E (Developed Software) | II-E-3.18 | 1 | DA | - | - | - | - | - | - |
| 12 | | PP&E (AFUDC Debt) | II-E-3.18 | 1 | DA | - | - | - | - | - | - |
| 13 | | | | | | | | | | | |
| 14 | | Total Unprotected Excess Deferred Taxes Related to PP&E | | | | - | - | - | - | - | - |
| 15 | | | | | | | | | | | |
| 16 | | Partnership K-1 Income | II-E-3.18 | 1 | DA | - | - | - | - | - | - |
| 17 | | Benefit Equalization & Saving Plan | II-E-3 18 | 1 | DA | - | - | - | - | - | - |
| 18 | | Stock Options Exercised | II-E-3.18 | 1 | DA | - | - | - | - | - | - |
| 19 | | Post-Retirement Benefits | II-E-3 18 | 1 | DA | - | - | - | - | - | - |
| 20 | | Deferred Compensation Accrual | II-E-3 18 | 1 | DA | - | - | - | - | - | - |
| 21 | | Injuries And Damages Accruals | II-E-3 18 | 1 | DA | - | - | - | - | - | - |
| 22 | | Other Reserves (Environ Liab) | II-E-3 18 | 1 | DA | - | - | - | - | - | - |
| 23 | | Accrued Bonuses | II-E-3 18 | 1 | DA | - | - | - | - | - | - |
| 24 | | Debt Issuance Cost | II-E-3.18 | 1 | DA | - | - | - | - | - | - |
| 25 | | Bad Debt Expense | II-E-3 18 | 1 | DA | - | - | - | - | - | - |
| 26 | | Reg Asset - Bad Debt | II-E-3 18 | 1 | DA | - | - | - | - | - | - |
| 27 | | Reg Asset - Stranded Costs | II-E-3.18 | 1 | DA | - | - | - | - | - | - |
| 28 | | Reg Asset - Other | II-E-3 18 | 1 | DA | - | - | - | - | - | - |
| 29 | | Reg Asset - Amortization | II-E-3 18 | 1 | DA | - | - | - | - | - | - |
| 30 | | Reg Asset - Pension | II-E-3.18 | 1 | DA | - | - | - | - | - | - |
| 31 | | Regulatory Liabilities (Sales) | II-E-3 18 | 1 | DA | - | - | - | - | - | - |
| 32 | | Regulatory Liabilities (Expense) | II-E-3 18 | 1 | DA | - | - | - | - | - | - |
| 33 | | Charitable Contribution Carryover | II-E-3.18 | 1 | DA | - | - | - | - | - | - |
| 34 | | | | | | | | | | | |
| 35 | | Total Unprotected Excess Deferred Taxes - Other | | | | - | - | - | - | - | - |
| 36 | | | | | | | | | | | |
| 37 | | Total Excess Deferred Income Taxes | | | | (564,097) | (179,461) | (360,823) | (17,082) | (6,731) | (564,097) |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.20 EFFECTS OF POST TEST YEAR ADJUSTMENT
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE

INDEX

| Line No. | Effect on FIT of ADFIT | Supporting Workpaper Reference |
|-------------|------------------------|--------------------------------|
|-------------|------------------------|--------------------------------|

- 1 There are no post-test-year additions to Plant.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.21 LIST OF FIT TESTIMONY
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE

INDEX

| Line No. | Witness | Direct Testimony Pages |
|----------|--------------------|------------------------|
| 1 | Charles W. Pringle | All |

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.22 HISTORY OF TAX NORMALIZATION
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE**

INDEX

| Line No | Description |
|------------|---|
| 1 | Prior to 1954, virtually no deferred income taxes were recorded as book and tax |
| 2 | depreciation were computed using similar methods and lives The Company and its processors to the Company, |
| 3 | began recording deferred taxes in 1954 when accelerated amortization methods were permitted |
| 4 | and used for income tax purposes for certain electric plant, while the straight line |
| 5 | procedure was used for book purposes Deferred income taxes for these amounts were |
| 6 | recorded in Account 281 From 1954 to 1969 deferred taxes were recorded only in |
| 7 | Account 281 Accelerated Amortization. |
| 8 | |
| 9 | In 1970, the Company began using liberalized depreciation methods for tax purposes |
| 10 | (sum of the years digits method and 150% declining balance) while using straight-line |
| 11 | depreciation for book purposes. Under Section 167(1) of the Internal Revenue Code, if a |
| 12 | public utility wants to claim accelerated tax depreciation on its Federal Income Tax |
| 13 | Return, it must record deferred income taxes on the difference between the accelerated |
| 14 | and straight line methods on public utility property and such deferred income tax expense |
| 15 | must be permitted as a recoverable cost in computing its revenue requirements The |
| 16 | deferred taxes related to liberalized depreciation were recorded in Account 282. |
| 17 | |
| 18 | In 1975, the Company began recording deferred taxes on pollution control facilities |
| 19 | (shorter life for income tax purposes) in Account 281 and used 200% declining balance |
| 20 | on a number of asset classes. |
| 21 | |
| 22 | In 1976, the Company began recording deferred taxes in Account 283 Deferred Federal |
| 23 | Income Taxes- Other |
| 24 | |
| 25 | In 1977, the Company followed the accounting and ratemaking policy of comprehensive |
| 26 | interperiod income tax allocation (recording deferred income taxes), except that deferred |
| 27 | taxes were not provided on certain basis differences (such as interest deducted currently |
| 28 | for federal income tax purposes but capitalized for accounting purposes), and additions to |
| 29 | the property insurance reserve which were expensed currently for accounting purposes |
| 30 | but not allowed as a deduction for tax purposes until the loss was incurred |
| 31 | |
| 32 | Beginning in 1979, the Company followed the accounting and ratemaking policy of |
| 33 | comprehensive interperiod income tax allocation including the basis difference for the |
| 34 | interest component of AFUDC which was deducted currently for federal income tax |
| 35 | purposes. For the period from January 1979 to December 1986, AFUDC- Debt was |
| 36 | recorded on a net of tax basis (the rate to record AFUDC-Debt was reduced for the tax |
| 37 | effect. Effectively, deferred income taxes on this book/tax difference were netted in the |
| 38 | plant accounts) |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.22 HISTORY OF TAX NORMALIZATION
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE

INDEX

| Line No. | Description |
|----------|--|
| 39 | |
| 40 | Also, in 1979, adjustments were reflected in Account 283 to reflect deferred taxes on the |
| 41 | basis difference for capitalized taxes. Such amounts are capitalized in plant in service |
| 42 | and depreciated for book purposes and deducted currently on the income tax return in the |
| 43 | year incurred. Deferred income taxes originate in the year such taxes are claimed on the |
| 44 | tax return and reverse as book depreciation is taken. |
| 45 | |
| 46 | The Economic Recovery Act of 1981 (IRC Section 168) permitted accelerated tax |
| 47 | depreciation for 1981 and future additions using the Accelerated Cost Recovery System |
| 48 | (ACRS). In order for a public utility to claim ACRS depreciation, all differences |
| 49 | between book and tax depreciation, excluding basis differences, must be normalized for |
| 50 | public utilities. |
| 51 | |
| 52 | In 1982, the Company recorded deferred taxes in Account 190 for the first time related to |
| 53 | benefit plan accruals. Benefit plan accruals per books are not deductible for tax purposes |
| 54 | until the benefit amounts are paid or funded. The number of benefit plans reflected in |
| 55 | this account increased over time. |
| 56 | |
| 57 | The Tax Reform Act of 1986 generally eliminated a current tax deduction for interest |
| 58 | during construction. AFUDC on most projects was computed using a gross rate effective |
| 59 | January 1, 1987. A current tax deduction was permitted in periods after December 31, |
| 60 | 1986 for certain transition property. |
| 61 | |
| 62 | The Tax Reform Act of 1986 reduced the then current 46% corporate income tax rate to |
| 63 | 40% in 1987 and to 34% in 1988 and thereafter. Included in that legislation was Section |
| 64 | 203(e) which required that excess ADFIT relating to public utility plant caused by the |
| 65 | income tax rate reduction be reversed using the Average Rate Assumption Method. |
| 66 | Under this method, if such excess ADFIT are used to reduce rates charged customers |
| 67 | more rapidly than over the life of the property generating such deferred income taxes, a |
| 68 | normalization violation will occur. |
| 69 | |
| 70 | The Company adopted SFAS No. 109 in 1992, with restatement to January 1, 1990. |
| 71 | SFAS No. 109, among other things, requires the liability method to be used in computing |
| 72 | deferred taxes on all temporary differences between the book and tax bases of assets |
| 73 | other than goodwill, requires that deferred tax liabilities and assets be adjusted for an |
| 74 | enacted change in tax laws or rates and prohibits net-of-tax accounting and reporting. |
| 75 | SFAS No. 109 requires that regulated enterprises recognize such adjustments to ADFIT |
| 76 | as regulatory assets or liabilities if it is probable that such amounts will be recovered |
| 77 | from or returned to customers in future rates. Adoption of SFAS No. 109 had no |
| 78 | ratemaking impact. |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.22 HISTORY OF TAX NORMALIZATION
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE

INDEX

| Line No. | Description |
|-------------|-------------|
|-------------|-------------|

79
80 On December 22, 2017, a comprehensive tax reform legislation informally called The Tax
81 Cuts and Jobs Acts, or TCJA was signed into law, which resulted in significant change to
82 federal tax laws effective January 1, 2018 TCJA had several key tax provisions that
83 impacted the Company, including the reduction of the corporate income tax rate from
84 35% to 21%. The new legislation included a variety of other changes, such as, a limitation
85 on the tax deductibility of interest expense, acceleration of business asset expensing, and
86 reduction in the amount of executive pay that may qualify for a tax deduction, among others
87 The change in the federal income tax rate from 35% to 21% resulted in recording of excess deferred
88 income taxes ("EDIT") for the Company. For regulated public utility property, ASC 980-740-25
89 requires that a regulatory asset or liability be recorded for the remeasurement of ADFIT if it is
90 probable that that the excess will be collected from or returned to customers through future rates.
91 Similar to the Tax Reform Act of 1986, the TCJA adopts the same categories of "protected" and
92 "unprotected" EDIT Protected EDIT is generally related to method/life depreciation differences.
93 Section 13001(d) of the TCJA provides normalization rules that create penalties for reducing the
94 protected excess tax reserves more rapidly than under the average rate assumption method
95 ("ARAM").
96 The Company uses the Powertax system which supports full normalization and flow through of
97 PP&E related basis differences.
98 PowerTax is used to track all PP&E related timing differences and is used to calculate protected
99 excess deferred tax reversals using ARAM See schedule II E-3.16 for listing of temporary
100 differences related to the test period

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

CONFIDENTIAL

Schedule II-E-3.23 Tax Elections, IRS Audit Statue and Private Letter Rulings is confidential. A copy of this material will be provided only after execution of a certification to be bound by the draft protective order set forth in Section VII of this Rate Filing Package or a protective order issued in this docket.

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-3.24 METHOD OF ACCOUNTING FOR ADFIT RELATED NOL CARRYFORWARD
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: C. PRINGLE**

INDEX

- 1 As of December 31, 2018, CNP has a zero balance in accumulated deferred federal income taxes related to NOLs.
- 2
- 3 **Debit:** Current Federal Income Tax Expense
- 4 **Credit:** Current FIT Payable
- 5 **Debit:** Deferred Tax Asset - Net Operating Loss
- 6 **Credit:** Deferred Federal Income Tax Expense

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-4 OTHER EXPENSES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | FERC Account | Description | Reference Schedule | 1 | 2 | 3 | 4 |
|-------------|-----------------|---|-----------------------|------------------|--------------------------------------|------------------------------------|---------------------------|
| | | | | Total Company | Non- Regulated or Non-Electric | Known and Measurable Changes | Company Total Electric |
| 1 | | Misc. Other Expenses | | | | | |
| 2 | | | | | | | |
| 3 | | Misc. Items | | | | | |
| 4 | 4310 | Other Interest Expense | | 3,887 | - | (3,440) | 447 |
| 5 | | | | | | | |
| 6 | | Subtotal | | 3,887 | - | (3,440) | 447 |
| 7 | | | | | | | |
| 8 | | TOTAL OTHER EXPENSES EXCLUDING FIT | II-E-1-4 | 647,739 | - | (22,376) | 625,363 |
| 9 | | | | | | | |
| 10 | | TOTAL OTHER EXPENSES INCLUDING FIT | II-E-1-4 | 719,272 | - | (18,114) | 701,157 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-4 OTHER EXPENSES
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: K. COLVIN
(THOUSANDS OF DOLLARS)

INDEX

| | | | | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|----------|--------------|---|--------------------|------|-------------------------------|---------------------|---------|---------|--------|--------|---------|
| Line No. | FERC Account | Description | Reference Schedule | FF # | Functionalization Factor Name | Allocation to Texas | TRAN | DIST | MET | TDCS | Total |
| 1 | | Misc. Other Expenses | | | | | | | | | |
| 2 | | | | | | | | | | | |
| 3 | | Misc. Items | | | | | | | | | |
| 4 | 4310 | Other Interest Expense | | 8 | OMAGXFP(565) | 447 | 77 | 295 | 30 | 45 | 447 |
| 5 | | | | | | | | | | | |
| 6 | | Subtotal | | | | 447 | 77 | 295 | 30 | 45 | 447 |
| 7 | | | | | | | | | | | |
| 8 | | TOTAL OTHER EXPENSES EXCLUDING FIT | II-E-1-4 | | | 625,363 | 124,872 | 463,767 | 23,567 | 13,157 | 625,363 |
| 9 | | | | | | | | | | | |
| 10 | | TOTAL OTHER EXPENSES INCLUDING FIT | II-E-1-4 | | | 701,157 | 151,958 | 509,570 | 25,056 | 14,573 | 701,157 |

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-4.1 DEFERRED EXPENSES FROM PRIOR DOCKETS
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: M. REYNOLDS / K. COLVIN
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | FERC Account | Description | Reference Schedule | 1 Total Company | 2 Non-Regulated or Non-Electric | 3 Known and Measurable Changes | 4 Company Total Electric |
|----------|--------------|---|--------------------|--------------------|------------------------------------|-----------------------------------|-----------------------------|
| 1 | 4074 | Non-standard metering service - Docket No. 41906 | II-E-4.1.1 | 23 | - | (23) | - |
| 2 | 4074 | Expedited Switches - Docket No. 38339 | II-E-4.1.1 | - | - | 386 | 386 |
| 3 | 4074 | Hurricane Harvey | II-E-4.1.1 | - | - | 24,383 | 24,383 |
| 4 | 4074 | Ike Residual | II-E-4.1.1 | - | - | (1,344) | (1,344) |
| 5 | 4073 | Pension PURA 36.065 Deferral - Docket No. 38339 | II-E-4.1.1 | - | - | (20,214) | (20,214) |
| 6 | 4073 | Smart Meter Texas - Docket No 47364 | II-E-4.1.1 | - | - | 2,313 | 2,313 |
| 7 | 4073 | Texas Margin Tax - Docket No. 38339 | II-E-4.1.1 | - | - | 6,543 | 6,543 |
| 8 | | | | | | | |
| 9 | | Total Amortization Expense | II-E-4.1 | 23 | - | 12,044 | 12,067 |
| 10 | | Operation and Maintenance Expense Amortizations | | | | | |
| 11 | 9040 | Defaulted REPs (16 TAC \$25.107, Bad Debt Expense) | II-E-4.1.1 | - | - | 523 | 523 |
| 12 | | | | | | | |
| 13 | | Total Regulatory Asset Amortization included in Operating Expense | II-D-1 | - | - | 523 | 523 |
| 14 | | | | | | | |
| 15 | 9280 | 2010 Rate case expenses - Docket No. 38339 After 39127 Cutoff | II-E-4.1.1 | - | - | 945 | 945 |
| 16 | 9280 | 2017 AMS reconciliation costs - Docket No. 47364 | II-E-4.1.1 | - | - | 62 | 62 |
| 17 | 9280 | 2016 DCRF Filing Expenses - Docket No. 45747 | II-E-4.1.1 | - | - | 125 | 125 |
| 18 | 9280 | 2017 DCRF Filing Expenses - Docket No. 47032 | II-E-4.1.1 | - | - | 102 | 102 |
| 19 | 9280 | 2018 DCRF Filing Expenses - Docket No. 48226 | II-E-4.1.1 | - | - | 89 | 89 |
| 20 | | Subtotal Rate Case Expense Amortization to be in Rider RCE | | | | | 1,324 |
| 21 | | Remove to Rider RCE | | | | | (1,324) |
| 22 | 9280 | 2016 EECRF Filing Expenses - Docket No. 47232 | II-E-4.1.1 | 74 | - | (74) | - |
| 23 | | | | | | | |
| 24 | | Total Rate Case Expense Amortization included in Operating Expense | II-D-2 | 74 | - | (74) | - |
| 25 | | | | | | | |
| 26 | | | | | | | |
| 27 | | Total | | 97 | - | 12,493 | 12,590 |

** Please see WP/II-E-4.1.1 for the required details relating to these expenses.

PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-E-4.1 DEFERRED EXPENSES FROM PRIOR DOCKETS
TEST YEAR ENDED 12/31/2018
DOCKET NO. 49421
SPONSOR: M. REYNOLDS / K. COLVIN
(THOUSANDS OF DOLLARS)

INDEX

| Line No. | FERC Account | Description | Reference Schedule | 5 FF # | 6 Functionalization Factor Name | 7 Allocation to Texas | 8 TRAN | 9 DIST | 10 MET | 11 TDCS | 12 Total |
|----------|--------------|---|--------------------|-----------|------------------------------------|--------------------------|----------------|---------------|--------------|----------------|----------------|
| 1 | 4074 | Non-standard metering service - Docket No. 41906 | II-E-4.1.1 | 1 | DA | - | - | - | - | - | - |
| 2 | 4074 | Expedited Switches - Docket No. 38339 | II-E-4.1.1 | 4 | MET | 386 | - | - | 386 | - | 386 |
| 3 | 4074 | Hurricane Harvey | II-E-4.1.1 | 3 | DIST | 24,383 | - | 24,383 | - | - | 24,383 |
| 4 | 4074 | Ike Residual | II-E-4.1.1 | 3 | DIST | (1,344) | - | (1,344) | - | - | (1,344) |
| 5 | 4073 | Pension PURA 36.065 Deferral - Docket No. 38339 | II-E-4.1.1 | 12 | PAYXAG | (20,214) | (4,006) | (14,908) | (38) | (1,261) | (20,214) |
| 6 | 4073 | Smart Meter Texas - Docket No 47364 | II-E-4.1.1 | 4 | MET | 2,313 | - | - | 2,313 | - | 2,313 |
| 7 | 4073 | Texas Margin Tax - Docket No. 38339 | II-E-4.1.1 | 6 | TOTREV | 6,543 | 2,698 | 3,383 | 232 | 230 | 6,543 |
| 8 | | | | | | | | | | | |
| 9 | | Total Amortization Expense | II-E-4.1 | | | 12,067 | (1,308) | 11,513 | 2,893 | (1,032) | 12,067 |
| 10 | | Operation and Maintenance Expense Amortizations | | | | | | | | | |
| 11 | 9040 | Defaulted REPs (16 TAC \$25.107, Bad Debt Expense) | II-E-4.1.1 | 5 | TDCS | 523 | - | - | - | 523 | 523 |
| 12 | | | | | | | | | | | |
| 13 | | Total Regulatory Asset Amortization included in Operating Expense | II-D-1 | | | 523 | - | - | - | 523 | 523 |
| 14 | | | | | | | | | | | |
| 15 | 9280 | 2010 Rate case expenses - Docket No. 38339 After 39127 Cutoff | II-E-4.1.1 | 6 | TOTREV | 945 | 390 | 489 | 34 | 33 | 945 |
| 16 | 9280 | 2017 AMS reconciliation costs - Docket No. 47364 | II-E-4.1.1 | 4 | MET | 62 | - | - | 62 | - | 62 |
| 17 | 9280 | 2016 DCRF Filing Expenses - Docket No. 45747 | II-E-4.1.1 | 3 | DIST | 125 | - | 125 | - | - | 125 |
| 18 | 9280 | 2017 DCRF Filing Expenses - Docket No. 47032 | II-E-4.1.1 | 3 | DIST | 102 | - | 102 | - | - | 102 |
| 19 | 9280 | 2018 DCRF Filing Expenses - Docket No. 48226 | II-E-4.1.1 | 3 | DIST | 89 | - | 89 | - | - | 89 |
| 20 | | Subtotal Rate Case Expense Amortization to be in Rider RCE | | | | 1,324 | 390 | 805 | 96 | 33 | 1,324 |
| 21 | | Remove to Rider RCE | | | | (1,324) | (390) | (805) | (96) | (33) | (1,324) |
| 22 | 9280 | 2016 EECRF Filing Expenses - Docket No. 47232 | II-E-4.1.1 | 1 | DA | - | - | - | - | - | - |
| 23 | | | | | | | | | | | |
| 24 | | Total Rate Case Expense Amortization included in Operating Expense | II-D-2 | | | - | - | - | - | - | - |
| 25 | | | | | | | | | | | |
| 26 | | | | | | | | | | | |
| 27 | | Total | | | | 12,590 | (1,308) | 11,513 | 2,893 | (509) | 12,590 |

** Please see WP/II-E-4.1.1 for the required details relating to these expenses.