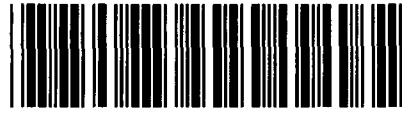


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**APPLICATION OF CENTERPOINT § BEFORE THE STATE OFFICE  
ENERGY HOUSTON ELECTRIC, LLC § OF  
FOR AUTHORITY TO CHANGE RATES § ADMINISTRATIVE HEARINGS**

**REBUTTAL TESTIMONY  
OF  
MICHELLE M. TOWNSEND  
ON BEHALF OF  
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC**

**June 2019**

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**LIST OF EXHIBITS**

Exhibit R-MMT-1	RFI Response GCCC02-32
Exhibit R-MMT-2	RFI Response GCCC01-13

1                   **REBUTTAL TESTIMONY OF MICHELLE M. TOWNSEND**

2                                   **I.    INTRODUCTION**

3    **Q.    PLEASE STATE YOUR NAME AND POSITION.**

4    A.    My name is Michelle M. Townsend. I am the Manager of Business Services  
5            Planning and Performance Management for CenterPoint Energy, Inc. (“CNP”).

6    **Q.    ARE YOU THE SAME MICHELLE M. TOWNSEND THAT FILED  
7            DIRECT TESTIMONY IN THIS DOCKET?**

8    A.    Yes.

9    **Q.    ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?**

10   A.    I am testifying on behalf of CenterPoint Energy Houston Electric, LLC  
11            (“CenterPoint Houston” or the “Company”).

12                                   **II.   PURPOSE OF REBUTTAL TESTIMONY**

13   **Q.    WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

14   A.    In my rebuttal testimony, I respond to arguments presented in the direct testimonies  
15            of Mr. Lane Kollen on behalf of the Gulf Coast Coalition of Cities (“GCCC”),  
16            Ms. June M. Dively on behalf of the Office of Public Utility Counsel, Mr. Mark E.  
17            Garrett and Mr. Scott Norwood on behalf of the City of Houston and Houston  
18            Coalition of Cities (“COH/HCC”) (collectively, “Intervenors”), and Mr. Mark  
19            Filarowicz on behalf of the Staff of the Public Utility Commission of Texas  
20            (“Commission”) regarding:

- 21                                   • The treatment of indirect corporate costs in CenterPoint Houston’s  
22                                    Distribution Cost Recovery Factor (“DCRF”) filings;
- 23                                   • The test year Operations and Maintenance (“O&M”) expense incurred for  
24                                    FERC Account 930.2 as shown in Mr. Norwood’s Table 3;

- 1 • CenterPoint Energy Service Company, LLC's ("Service Company")  
2 allocated pension and OPEB expenses;
- 3 • Service Company's compensation for use of capital;
- 4 • Service Company's normalized integration planning expense related to the  
5 Vectren transaction;
- 6 • Service Company's post test-year wage adjustment, which properly  
7 normalized integration planning billings; and
- 8 • Non-qualified compensation expense related to Service Company executive  
9 salaries.

10 **Q. HOW DOES YOUR REBUTTAL TESTIMONY RELATE TO THE**  
11 **TESTIMONY OF OTHER WITNESSES?**

12 A. In addition to myself, Company witnesses Lynne Harkel-Rumford and Kristie L.  
13 Colvin also address Intervenor arguments regarding certain compensation and  
14 benefits expense issues. I will address Mr. Norwood's contention that the Company  
15 has not sufficiently supported its requested level of O&M expenses in FERC  
16 Account 930.2. Company witnesses Randal M. Pryor and Martin W. Narendorf  
17 address the prudence of the Company's capital investments and demonstrate why  
18 Mr. Norwood's normalization proposal should be rejected. Finally, Company  
19 witness Jeffrey S. Myerson responds to Mr. Kollen and his proposals to either  
20 establish a Merger Savings Rider or make an adjustment to the Company's test year  
21 costs related to the Vectren transaction, as well as Ms. Dively's comments  
22 regarding the Vectren transaction. I respond to Mr. Kollen's arguments regarding  
23 Service Company's post-test year wage adjustment, which properly normalized  
24 integration planning billings. Finally, I address Mr. Garrett's argument regarding  
25 non-qualified compensation expense and non-deductible salaries allocated to  
26 CenterPoint Houston.

1 **Q. WAS YOUR REBUTTAL TESTIMONY PREPARED BY YOU OR UNDER**  
2 **YOUR DIRECT SUPERVISION?**

3 A. Yes. I have prepared or supervised the preparation of my rebuttal testimony.

4 **Q. HAVE YOU INCLUDED EXHIBITS WITH YOUR REBUTTAL**  
5 **TESTIMONY?**

6 A. Yes. I have prepared or supervised the preparation of the exhibits listed in the table  
7 of contents.

8 **III. CORPORATE COSTS ALLOCATED TO**  
9 **DISTRIBUTION CAPITAL PROJECTS**

10 **Q. DID THE COMMISSION IN PROJECT NO. 39465 DEFINE INDIRECT**  
11 **CORPORATE COSTS?**

12 A. The Commission does not provide a specific definition of indirect corporate costs  
13 but explained that indirect corporate costs are those costs that are not directly  
14 necessary to provide distribution service. The Commission also provided examples  
15 of items prohibited from being categorized as distribution-related capital such as  
16 corporate aircraft and artwork. The Commission stated:

17 However, the commission's discretion is circumscribed by PURA  
18 §36.210(a), which prohibits inclusion of indirect corporate costs  
19 (and capitalized O&M expenses). The comments focused on what  
20 constitutes an "indirect" cost, but did not address what constitutes a  
21 "corporate cost" or "corporate support cost," neither of which have  
22 a generally understood definition. After reviewing PURA §36.210,  
23 the commission concludes that the purpose of this section's  
24 exclusion of indirect corporate costs is to circumscribe the  
25 commission's discretion in expanding the definition of distribution  
26 invested capital beyond the well-established standards in the FERC  
27 USOA. *As a result, PURA §36.210 prohibits the commission from*  
28 *categorizing as distribution invested capital corporate aircraft and*

1 *artwork or other invested capital that arguably is indirectly*  
2 *necessary to provide distribution service.*<sup>1</sup>

3 **Q. BASED ON THE COMMISSION'S DESCRIPTION YOU IDENTIFY**  
4 **ABOVE, SHOULD PROPERTY ACCOUNTING, ACCOUNTS PAYABLE**  
5 **AND CALL CENTER COSTS BE CONSIDERED INDIRECT**  
6 **CORPORATE COSTS?**

7 A. No. The work performed by Property Accounting, Accounts Payable and Call  
8 Center is all work performed based on capital activity and is not an activity or cost  
9 such as corporate aircraft or artwork as referenced as indirect corporate costs in the  
10 Commission's order. All work performed by these areas is directly necessary to  
11 provide distribution service.

12 **Q. MR. NORWOOD STATES THAT CENTERPOINT HOUSTON**  
13 **IMPROPERLY INCLUDED 'INDIRECT CORPORATE COSTS' AS PART**  
14 **OF ITS PAST DCRF CHARGES.<sup>2</sup> IS THIS TRUE?**

15 A. No. In each of its prior DCRF filings, Docket Nos. 44572, 45747, 47032, and  
16 48226, the Company attested to the fact that indirect corporate costs and capitalized  
17 O&M cost were excluded from its DCRF filings as required by 16 Texas

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<sup>1</sup> *Rulemaking Related to Periodic Rate Adjustments*, Project No. 39465, Order at 33 (Sept. 22, 2011) (emphasis added).

<sup>2</sup> Direct Testimony of Scott Norwood at 18-22.

1 Administrative Code § 25.243(b)(3).<sup>3</sup> Ms. Colvin can speak to specific topics  
2 included in any of the Company's prior DCRF filings.

3 **Q. DOES CENTERPOINT HOUSTON ASSIGN INDIRECT CORPORATE**  
4 **COSTS TO CAPITAL PROJECTS?**

5 A. No. Indirect corporate costs are costs that cannot be directly assigned. For this  
6 reason, the Company does not assign indirect corporate costs to capital projects.

7 **Q. WHAT CORPORATE COSTS ARE ASSIGNED TO CAPITAL**  
8 **PROJECTS?**

9 A. The Company only capitalizes corporate costs directly associated with capital  
10 projects.

11 **Q. PLEASE DESCRIBE THE AMOUNTS REFERENCED BY**  
12 **MR. NORWOOD TO SUPPORT HIS PROPOSED ADJUSTMENT OF**  
13 **CORPORATE COSTS.**

14 A. The Accounts Payable, Property Accounting and Call Center amounts presented in  
15 response to COH RFI No. 15-16 represent costs directly assigned to capital work  
16 by those departments. They are not indirect corporate costs.

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<sup>3</sup> *Application of CenterPoint Energy Houston Electric, LLC for Approval to Amend its Distribution Cost Recovery Factor Pursuant to P.U.C. Subst. R. 25.243, Docket No. 44572, Direct Testimony of Mary Kirk at 5-6; Application of CenterPoint Energy Houston Electric, LLC for Approval to Amend its Distribution Cost Recovery Factor Pursuant to 16 Tex. Admin. Code § 25.243 and to Reconcile Docket No. 44572 Revenues, Docket No. 45747, Direct Testimony of Mary Kirk at 6; Application of CenterPoint Energy Houston Electric, LLC for Approval to Amend its Distribution Cost Recovery Factor Pursuant to 16 Tex. Admin. Code § 25.243, Docket No. 47032, Direct Testimony of Mary Kirk at 7 and 23; Application of CenterPoint Energy Houston Electric, LLC for Approval to Amend its Distribution Cost Recovery Factor Pursuant to 16 Tex. Admin. Code § 25.243, Docket No. 48226, Direct Testimony of Mary Kirk at 7-8 and 26.*



1 **Q. IS MR. NORWOOD'S PROPOSED ADJUSTMENT REGARDING**  
2 **INDIRECT CORPORATE COSTS VALID?**

3 A. No. There are no indirect corporate costs assigned to capital projects either in this  
4 case or in the Company's prior DCRF filings. Therefore, there is no need to make  
5 adjustments to exclude these costs and Mr. Norwood's proposal should be rejected.

6 **IV. TEST YEAR FERC 930.2 O&M EXPENSES ARE REASONABLE**

7 **Q. MR. NORWOOD ARGUES THAT THE TEST YEAR LEVEL OF EXPENSE**  
8 **IN ACCOUNT 930.2 IS NOT REASONABLE WHEN COMPARED TO**  
9 **PRIOR YEARS.<sup>4</sup> HOW DO YOU RESPOND?**

10 A. As Ms. Colvin testifies, the Company's request is based on actual test-year  
11 expenses—which is the standard used by the Commission to set the Company's  
12 cost of service. This alone provides a basis to reject Mr. Norwood's proposal to  
13 establish the Company's O&M expense based on a multi-year average.  
14 Importantly, Mr. Norwood does not dispute the need for or reasonableness of any  
15 of the Company's test year O&M activities, including those reflected incurred in  
16 Account 930.2. He simply believes they are too high as compared to prior years.  
17 His conclusion, however, ignores the facts that are driving these costs and the  
18 reality that these costs are representative of on-going activities and the expense  
19 associated with those activities. Mr. Pryor and Mr. Narendorf address the  
20 reasonableness of the remaining O&M FERC accounts presented in Table 3 of  
21 Mr. Norwood's testimony.

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<sup>4</sup> Direct Testimony of Scott Norwood at 11-13.

1 **Q. HAS THE COMPANY EXPLAINED AND SUPPORTED THE INCREASE**  
2 **IN SERVICE COMPANY BILLINGS TO CENTERPOINT HOUSTON**  
3 **FROM 2010 TO 2018?**

4 A. Yes. As I explained in my direct testimony, CenterPoint Houston added  
5 approximately 400,000 customers between 2010 and 2018—a growth rate of  
6 almost 20% over the period. With that growth, the Company experienced a natural  
7 increase in demand for Service Company services. In addition to growth and  
8 inflation, Technology Operations (“TO” or “T.O.”) costs, as detailed in the direct  
9 testimony of Company witness Shachella D. James, have been a primary item  
10 causing Service Company billings to CenterPoint Houston to increase from 2010  
11 to 2018. Protecting the Company’s system and customer data from cyber-attacks,  
12 managing ever increasing customer data in real-time market conditions, operating  
13 new Advanced Metering System and intelligent grid systems, and providing better  
14 customer interface technologies have all been part of a necessary transformation at  
15 CenterPoint Houston to make the provision of service safer and more reliable in  
16 today’s more technologically-advanced world.

17 **Q. EXCLUDING THE INCREASE IN T.O. BILLINGS, WHAT IS THE**  
18 **INCREASE IN SERVICE COMPANY BILLINGS TO CENTERPOINT**  
19 **HOUSTON FROM 2010 TO 2018?**

20 A. Adjusting for this item, the increase in Service Company billings to CenterPoint  
21 Houston from 2010 to 2018 is a 3.7% compound annual growth rate.

1 **Q. PLEASE DESCRIBE THE COSTS CAPTURED IN ACCOUNT 930.2.**

2 A. FERC account 930.2 is the primary account used to capture Service Company costs.  
3 As described in my direct testimony, although the types and classes of services  
4 provided by the Service Company have not changed since Docket No. 38339,  
5 certain changes have been implemented in the organizational structure of the  
6 Service Company, thus contributing to increased costs in FERC 930.2.

7 **Q. PLEASE EXPLAIN WHAT DROVE 2018 COSTS IN ACCOUNT 930.2 TO**  
8 **BE HIGHER THAN IN PRIOR YEARS.**

9 A. The increase in 2018 was primarily due to increased maintenance costs associated  
10 with digital technologies. These O&M costs in technology investments have  
11 focused on increasing customer satisfaction, ensuring long-term and sustainable  
12 business resiliency, maturing data and cybersecurity capabilities, maintaining or  
13 improving efficiency and effectiveness of operations, and continually improving  
14 both the functionality and dependability of our mission critical business systems.  
15 Additional factors contributing to the increase in costs in FERC 930.2 in 2018 are  
16 included in response to GCCC RFI No. 2-32, which is included as  
17 Exhibit R-MMT-1 to my rebuttal testimony.

18 **Q. DOES CENTERPOINT HOUSTON MONITOR CHANGES IN SERVICE**  
19 **COMPANY COSTS, INCLUDING THOSE BOOKED TO ACCOUNT 930.2?**

20 A. Yes. While Mr. Norwood complains that the Company does not perform O&M  
21 variance analysis by FERC account, the Company does maintain internal  
22 management reporting that is performed on a GAAP basis and employs various  
23 controls and processes to ensure that management has proper ongoing control over

1 O&M expenses. I discuss these cost controls and processes in my direct testimony.  
2 Further, evidence of CenterPoint Houston's awareness of cost drivers is found in  
3 Exhibit R-MMT-1, which is the Company's response to GCCC RFI No. 2-32. This  
4 discovery response explains the primary drivers of the O&M amounts incurred in  
5 Account 930.2 from 2016 to 2017 and 2017 to 2018.

6 **Q. HOW DO THE ORGANIZATIONAL CHANGES THAT HAVE**  
7 **OCCURRED BETWEEN 2014 AND 2018 AFFECT A COMPARISON OF**  
8 **THE 2018 ACCOUNT 930.2 COSTS TO PRIOR YEARS?**

9 A. As I explained in my direct testimony, while the types and classes of services  
10 provided by the Service Company have not changed, certain changes have been  
11 implemented in the organizational structure of the Service Company between 2014  
12 and 2018. For example, Telecom, Project Management Office, and Gas Operations  
13 Technology was reorganized into the TO organization (formerly "Information  
14 Technology"). Land and Field Services and Fleet was also realigned from Electric  
15 Operations and Regulated Operations Management into the Business and  
16 Operations Support organization. As a result, costs that were not previously  
17 included in Account 930.2 in some years are included in other years. For this  
18 reason, it is not possible to validly compare 2018 Account 930.2 costs to prior years  
19 because it does not provide an apples-to-apples comparison. Rather, the 2018 test  
20 year amounts for Account 930.2 are the best representation of the actual and  
21 ongoing levels of O&M expense associated with Service Company activities  
22 charged to this account.

1 **Q. ARE THE TEST YEAR COSTS BOOKED TO ACCOUNT 930.2**  
2 **REASONABLE AND NECESSARY?**

3 A. Yes. These costs are reflective of reasonable and necessary activities performed by  
4 Service Company for CenterPoint Houston during the test year and are reflective  
5 of the level of activities that will continue to be provided in the future based on the  
6 existing organizational structure.

7 **V. ALLOCATED SERVICE COMPANY PENSION AND OPEB EXPENSE**

8 **Q. IN HIS TESTIMONY, MR. KOLLEN STATES THAT THE COMPANY**  
9 **SHOULD INCLUDE ONLY THE EXPENSE COMPONENT OF PENSION**  
10 **AND OPEB COSTS IN THE AFFILIATE CHARGES FROM THE**  
11 **SERVICE COMPANY.<sup>5</sup> HAS THE COMPANY DONE THIS?**

12 A. Yes. In response to GCCC RFI No. 3-08, the Company acknowledged that the  
13 Service Company allocation on WP II-D-2 Adj 6.1 inadvertently included capital  
14 charges. This was corrected in the Company's Errata filing pursuant to Order No. 6  
15 on May 31, 2019.

16 **VI. COMPENSATION FOR USE OF CAPITAL**

17 **Q. HAVE YOU REVIEWED THE TESTIMONY OF MS. DIVELY AND**  
18 **MR. FILAROWICZ REGARDING CENTERPOINT HOUSTON'S**  
19 **REQUEST RELATED TO COMPENSATION FOR USE OF CAPITAL?**

20 A. Yes. Ms. Dively proposes to exclude \$7,786,463<sup>6</sup> and Mr. Filarowicz recommends  
21 that the Commission disallow \$4,942,320<sup>7</sup> associated with carrying charges

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<sup>5</sup> Direct Testimony of Lane Kollen at 43-44.

<sup>6</sup> Direct Testimony of June M. Dively at 39-40.

<sup>7</sup> Direct Testimony of Mark Filarowicz at 27.

1 associated with affiliate or shared assets. While Ms. Dively does not challenge the  
2 legitimacy of the payments, she argues that the Company did not meet its affiliate  
3 burden under the statute. In contrast, Mr. Filarowicz argues that the equity portion  
4 of carrying charges on Service Company's assets should be disallowed.

5 **Q. WITH REGARD TO MR. FILAROWICZ'S POSITION, IS THERE ANY**  
6 **DIFFERENCE BETWEEN THE ASSETS OWNED BY SERVICE**  
7 **COMPANY AND THOSE OWNED BY CENTERPOINT HOUSTON THAT**  
8 **WOULD JUSTIFY DENYING A RETURN FROM BEING EARNED ON**  
9 **SERVICE COMPANY ASSETS?**

10 A. No. Assets held at the Service Company are for the benefit of the business units,  
11 including CenterPoint Houston. The costs that Service Company incurs for these  
12 assets include book depreciation, tax depreciation, related deferred taxes, removal  
13 cost recovery, property taxes, and a return on investment. Similarly, assets held at  
14 CenterPoint Houston are for the benefit of customers and CenterPoint Houston  
15 incurs the same costs for its assets. Just as a return is earned on the assets held by  
16 CenterPoint Houston, the assets held by Service Company should earn a return. It  
17 is my understanding that this is consistent with PURA § 36.051, which provides  
18 that:

19 In establishing an electric utility's rates, the regulatory authority  
20 shall establish the utility's overall revenues at an amount that will  
21 permit the utility a reasonable opportunity to earn a reasonable  
22 return on the utility's invested capital used and useful in providing  
23 service to the public in excess of the utility's reasonable and  
24 necessary operating expenses.

1 **Q. ARE THE SERVICE COMPANY ASSETS USED AND USEFUL IN**  
2 **CENTERPOINT HOUSTON'S PROVISION OF SERVICE TO**  
3 **CUSTOMERS?**

4 A. Yes. Examples of hardware assets held at the Service Company include Network  
5 Equipment, Telephone Infrastructure, and Enterprise Servers. In addition to  
6 hardware, the Service Company also records enterprise software assets for SAP  
7 upgrades, Microsoft enhancements and Filenet. The benefits of many of these  
8 assets are discussed in the direct testimony of Ms. James. As these assets benefit  
9 CenterPoint Houston's customers, they should earn a return similar to assets held  
10 by CenterPoint Houston.

11 **Q. MR. FILAROWICZ ARGUES THAT HE HAS RELIED ON THE**  
12 **COMMISSION'S DECISIONS IN DOCKET NOS. 43695 AND 46449 AS**  
13 **SUPPORT FOR HIS POSITION.<sup>8</sup> DO YOU FIND THESE DECISIONS**  
14 **PERSUASIVE?**

15 A. No. First, CenterPoint Houston was not a party to those cases. Second, it is not  
16 clear from the language of the orders cited by Mr. Filarowicz whether the  
17 Commission's decisions were based on the facts of those particular cases or  
18 intended to establish an *ad hoc* policy applicable to regulated electric utilities  
19 generally. Either way, I do not believe that the decisions in this case are applicable  
20 to CenterPoint Houston because the Company has shown that Service Company  
21 assets are used and useful, are no different than utility-owned assets for which an  
22 equity return is earned, and that the costs of these assets were prudently incurred.

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<sup>8</sup> Direct Testimony of Mark Filarowicz at 27.

1 **Q. MS. DIVELY ARGUES THAT CENTERPOINT HOUSTON SHOULD**  
2 **HAVE INCLUDED ITS PAYMENT TO THE SERVICE COMPANY FOR**  
3 **COMPENSATION FOR USE OF CAPITAL ON SCHEDULE V-K-7.<sup>9</sup> DO**  
4 **YOU AGREE?**

5 A. No. The V-K-7 schedule requires CenterPoint Houston to list services by class and  
6 service category. Compensation for use of Capital is a return on investment applied  
7 to the Service Company assets. It is not a class or service category, it is a cost  
8 associated with several of the classes and service categories. Therefore, it is not  
9 separately identified on the V-K-7 schedule, but rather is part of the cost allocation  
10 amounts assigned to the Finance, Technology Operations, and Business Operations  
11 Services service class totals on that schedule.

12 **Q. DID CENTERPOINT HOUSTON PROVIDE TESTIMONY TO SUPPORT**  
13 **A FINDING THAT THE AMOUNTS PAID TO SERVICE COMPANY FOR**  
14 **AFFILIATE SERVICES SATISFIED THE AFFILIATE TRANSACTION**  
15 **STANDARD AND WERE ELIGIBLE FOR RECOVERY IN THIS CASE?**

16 A. Yes. CenterPoint Houston provided detailed testimony from 11 witnesses  
17 describing the reasonableness and necessity of the services provided to CenterPoint  
18 Houston from Service Company during the test year. These services necessarily  
19 encompass both Service Company labor and the use of Service Company assets.  
20 CenterPoint Houston also provided evidence demonstrating that the costs are not  
21 higher than the prices charged by Service Company and CenterPoint Energy  
22 Resources Corp. for the same class of items to the Company's affiliates or divisions.

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<sup>9</sup> Direct Testimony of June M. Dively at 37.



1 Thus, the Shared Services amounts identified on V-K-7 are fully eligible for  
2 recovery in CenterPoint Houston's rates.

3 **VII. NORMALIZED INTEGRATION PLANNING BILLINGS**

4 **Q. MS. DIVELY DISAGREES WITH THE ADJUSTMENT CENTERPOINT**  
5 **HOUSTON HAS MADE TO ITS AFFILIATE EXPENSES AS A RESULT**  
6 **OF THE VECTREN TRANSACTION.<sup>10</sup> WHY DID THE COMPANY**  
7 **INCLUDE AN ADJUSTMENT TO NORMALIZE INTEGRATION**  
8 **PLANNING BILLINGS?**

9 A. As stated in my direct testimony, during the test year many Service Company  
10 employees worked on integration planning activities, which are not part of the  
11 normal daily activities provided by Service Company. In order to more accurately  
12 capture the normal, recurring activities of Service Company, an adjustment was  
13 made to normalize integration planning billings to reflect Service Company's  
14 employee labor that would have been billed to CenterPoint Houston during this  
15 time if the integration planning for the Vectren transaction had not occurred.

16 **Q. HOW WAS THIS ADJUSTMENT CALCULATED?**

17 A. The amount of Service Company costs billed to integration planning is tracked in  
18 SAP by the employee's cost center. The adjustment is calculated based on  
19 CenterPoint Houston's portion of total test year billings from the Service Company  
20 after removing integration planning billings, as shown on response to discovery  
21 request GCCC RFI No. 1-13, which is Exhibit R-MMT-2 to my rebuttal testimony.  
22 The calculation is a reasonable approach to normalizing billings to CenterPoint

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<sup>10</sup> *Id.* at 46-50.

1 Houston for integration planning activities. This estimate is based on a reasonable  
2 assumption that those employees would have performed the work had they not been  
3 involved with the integration planning during the test year.

4 **Q. IS THE ADJUSTMENT TO NORMALIZE INTEGRATION PLANNING**  
5 **BILLINGS KNOWN AND MEASURABLE WITH REASONABLE**  
6 **ACCURACY?**

7 A. Yes. We know the direct charges that Service Company employees billed to work  
8 on Vectren integration activities. We know that work on Vectren integration  
9 activities are not part of the normal daily activities provided by Service Company  
10 to CenterPoint Houston or other business units. We know the 2018 Service  
11 Company planned billings to CenterPoint Houston and we know what was actually  
12 billed to CenterPoint Houston as a result of Service Company employees being  
13 reassigned to support the Vectren transaction. Therefore, we can and have  
14 calculated with reasonable accuracy the adjustment necessary to capture normal  
15 Service Company billings to CenterPoint Houston that would have occurred if  
16 normal support activities had been performed during the test year. In short, this  
17 adjustment reflects a necessary, known and measurable increase of approximately  
18 \$1.6 million in affiliate billings to CenterPoint Houston.

1 **VIII. AFFILIATE PAYROLL ADJUSTMENT**

2 **Q. HAVE YOU REVIEWED MR. GARRETT’S POSITION REGARDING THE**  
3 **COMPANY’S AFFILIATE PAYROLL ADJUSTMENT?**

4 A. Yes. Essentially, while Mr. Garrett accepts the annual payroll adjustments that  
5 occurred during the test year, he incorrectly proposes to remove the competitive  
6 pay adjustment (“CPA”) that occurred in April and May 2019.<sup>11</sup>

7 **Q. IS THE 2019 CPA KNOWN AND MEASURABLE?**

8 A. Yes. Contrary to Mr. Garrett’s contention, the 2019 CPA is a known and  
9 measurable adjustment that occurs every year on April 1, depending on pay period,  
10 for non-union employees and every April 1 and June 1 for union employees.  
11 Further, as Ms. Colvin explains, for union employees, the Company is contractually  
12 obligated, per the OPEIU Local 12 and OPEIU Local 12 Mankato union contracts,  
13 to increase affiliate wages for union employees every year.

14 **Q. DOES MR. GARRETT’S PROPOSED AFFILIATE WAGE ADJUSTMENT**  
15 **INAPPROPRIATELY INCLUDE AMOUNTS RELATED TO UNION**  
16 **EMPLOYEES?**

17 A. Yes, and his proposed adjustment is contrary to PURA. The affiliate wage  
18 adjustments in the Company’s request include amounts for union employees, which  
19 are deemed reasonable due to PURA § 14.006, which states:

20 The commission may not interfere with employee wages and  
21 benefits, working conditions, or other terms or conditions of  
22 employment that are the product of a collective bargaining  
23 agreement recognized under federal law. An employee wage rate or  
24 benefit that is the product of the collective bargaining is presumed  
25 to be reasonable.

---

<sup>11</sup> Direct Testimony of Mark E. Garrett at 48-50.

1 **IX. NON-QUALIFIED COMPENSATION EXPENSE**

2 **Q. MR. GARRETT RECOMMENDS AN ADJUSTMENT TO THE**  
3 **COMPANY'S NON-QUALIFIED COMPENSATION EXPENSE. DO YOU**  
4 **AGREE WITH HIS POSITION?**

5 A. No, I do not for several reasons. First, as Ms. Harkel-Rumford discusses in her  
6 direct and rebuttal testimonies, CNP's total compensation paid to its employees is  
7 supported by competitive market data and is therefore, a reasonable and necessary  
8 cost of providing service. Second, Mr. Garrett appears to incorrectly interpret the  
9 Company's response to COH RFI No. 11-20, Attachment 1, to be attributable to a  
10 single employee. In actuality, the \$1.143 million referenced in that response  
11 represents an aggregate amount. Stated differently, the \$1.143 million in non-  
12 deductible salaries allocated to CenterPoint Houston represents the total for five  
13 executives, not a single individual. The five executives used in the calculation can  
14 be found in the 2019 Proxy Statement on page 41. As shown in the Proxy  
15 Statement, within CNP and its affiliates, only one executive has a base salary over  
16 \$1 million. CenterPoint Houston receives an allocated 54.20% share of that cost,  
17 which is less than the \$1 million threshold amount that Mr. Garrett proposes. Thus,  
18 his own argument does not support his proposed adjustment. Finally, even if you  
19 were to apply Mr. Garrett's proposal to the single base salary in excess of  
20 \$1 million, the only amount that should be adjusted is the incremental amount over  
21 the \$1 million, which is \$245,000. If this amount is assigned CenterPoint  
22 Houston's 54.20% allocation, the adjustment totals \$132,786, not \$1.143 million  
23 as Mr. Garrett proposes.

1

**X. CONCLUSION**

2 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

3 **A. Yes.**

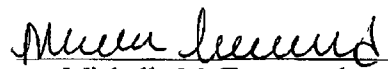
STATE OF TEXAS       §  
                                  §  
COUNTY OF HARRIS   §

**AFFIDAVIT OF MICHELLE M. TOWNSEND**


BEFORE ME, the undersigned authority, on this day personally appeared Michelle M. Townsend who having been placed under oath by me did depose as follows:

1.     “My name is Michelle M. Townsend. I am of sound mind and capable of making this affidavit. The facts stated herein are true and correct based upon my personal knowledge.
2.     I have prepared the foregoing Rebuttal Testimony and the information contained in this document is true and correct to the best of my knowledge.”

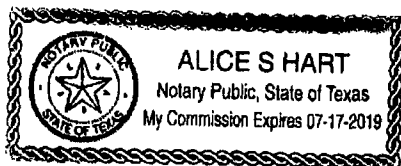
Further affiant sayeth not.

  
Michelle M. Townsend

SUBSCRIBED AND SWORN TO BEFORE ME on this 17<sup>th</sup> day of June,  
2019.

  
Notary Public in and for the State of Texas

My commission expires: 07/17/2019



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

**GULF COAST COALITION OF CITIES  
REQUEST NO.: GCCC02-32**

**QUESTION:**

Refer to Schedule II-D-2 which shows the A&G expense per books amounts for 2018 and to Schedule II-D-2a which shows the A&G expense per books amounts for each of the years 2015, 2016, and 2017. Refer further to the amounts recorded in 2018 compared to 2017 in FERC account 930.2, Miscellaneous General Expenses. The 2018 expense is \$145.091 million compared to the 2017 expense amount of only \$136.418 million and the 2016 expense of only \$127.568 million.

- a. Provide a copy of all variance analyses performed during 2018 and subsequently related to the reasons for the large increase in 2018 expense compared to 2017 for FERC account 930.2.
- b. Provide a copy of all variance analyses performed during 2017 and subsequently related to the reasons for the large increase in 2017 expense compared to 2016 for FERC account 930.2
- c. Refer further to the monthly A&G expense per books reflected for FERC account on Schedule II-D-2.1. Provide a copy of the general ledger detail for FERC account 930.2 for September 2018 summing to \$14.466 million and for December 2018 summing to \$19.511 million.
- d. Identify, describe, and quantify all amounts recorded in 2018 in FERC account 930.2 that should be considered non-recurring in nature and whether they were removed in the filing. If none, please explain all reasons for the large per books increase in this expense amount in 2018 compared to 2017, 2016, and 2015 and explain why the increase in 2018 should be considered recurring.

**ANSWER:**

- a. Please see response to to GCCC02-17 part a for a description of O&M variance analyses performed during 2018 for CenterPoint Houston. While the Company does not perform variance analyses by FERC account, please see GCCC02-32 Attachment 2.xlsx for drivers of the variances in FERC 9302 comparing 2018 to 2017 for CenterPoint Energy Service Company.
- b. Please see response to to GCCC02-17 part a for a description of O&M variance analyses performed during 2018 for CenterPoint Houston. While the Company does not perform variance analyses by FERC account, please see GCCC02-32 Attachment 2.xlsx for drivers of the variances in FERC 9302 comparing 2017 to 2016 for CenterPoint Energy Service Company.
- c. See GCCC02-32c Attachment 1 for the general ledger detail for FERC account 9302 for September 2018 summing to \$14.466 million and for December 2018 summing to \$19.511 million.
- d. All 2018 costs recorded to FERC account 9302 are considered recurring.

The increase in O&M expense directly incurred by CenterPoint Houston recorded to FERC 9302 in 2018 was primarily due to higher work volumes within our Fiber and Wireless group that performs work to support third-party telecommunication companies. While Fiber and Wireless costs increased in 2018, CenterPoint Houston also received higher revenues in 2018 from third-party telecommunication companies that help offset the aforementioned cost increases. The Fiber and Wireless group also saw cost increases due to safety initiatives that were started in 2018, and a higher price for materials. See GCCC02-32 Attachment 2.xlsx for variance explanations for CenterPoint Energy Service Company.

**SPONSOR:**

Kristie Colvin / Michelle Townsend (Kristie Colvin / Michelle Townsend)

**RESPONSIVE DOCUMENTS:**

GCCC02-32c Attachment 1.xlsx

GCCC02-32 Attachment 2.xlsx



CenterPoint Energy Houston Electric  
 FERC 9302  
 For September and December 2018

Company Code	FERC Account	FERC Description	GL Number	GL Account Description	009/2018	012/2018
0003	9302	Misc General Exps	510010	Misc Oper Exp-Assoc	\$101 98	\$103 87
0003	9302	Misc General Exps	511010	Misc Oper Exp	\$0 00	\$0 00
0003	9302	Misc General Exps	515040	Bonus/Inc-Exempt	\$3,219,394 67	\$542,622 13
0003	9302	Misc General Exps	515042	Bonus/Inc-Non-Exempt	\$6,868 45	\$7,097 40
0003	9302	Misc General Exps	515044	Bonus/Inc-Union	\$0 00	(\$1,370,000 00)
0003	9302	Misc General Exps	515050	Non-prod-Exempt	\$35,718 77	\$114,001 65
0003	9302	Misc General Exps	515052	Non-prod-Non-Exempt	\$12,304 04	\$57,430 75
0003	9302	Misc General Exps	515080	Other Compensation	\$364 50	\$0 00
0003	9302	Misc General Exps	517992	Oth Comp-Non-Exempt	\$333 00	\$48 50
0003	9302	Misc General Exps	517994	OT Non-Exempt(1 5)	\$3,247 41	\$1,490 62
0003	9302	Misc General Exps	517995	Regular Non-Exempt	\$125,793 20	\$80,665 88
0003	9302	Misc General Exps	517996	Other Comp-Exempt	\$3,412 50	\$4,471 82
0003	9302	Misc General Exps	517998	Overtime Exempt	\$0 00	\$0 00
0003	9302	Misc General Exps	517999	Regular Exempt	\$287,604 44	\$215,119 85
0003	9302	Misc General Exps	518011	Pension - Service Co	(\$161,005 50)	\$522,607 55
0003	9302	Misc General Exps	518016	Pension NonQualified	(\$3,515 15)	\$168,119 36
0003	9302	Misc General Exps	518032	PostRetirement - Ser	(\$10,680 37)	(\$34,495 29)
0003	9302	Misc General Exps	518090	Long-Term Disability	(\$88,621 21)	\$1,111,600 07
0003	9302	Misc General Exps	518166	Deferred Comp Plan -	\$26,250 00	\$26,250 00
0003	9302	Misc General Exps	522010	Employee Travel	\$1,519 15	\$7,299 36
0003	9302	Misc General Exps	522020	Training	\$0 00	\$18,245 60
0003	9302	Misc General Exps	522030	Registration	\$0 00	\$900 00
0003	9302	Misc General Exps	522040	Dues & Licenses	\$2,311 50	\$395 00
0003	9302	Misc General Exps	522060	Business Meals	\$993 41	\$5,420 71
0003	9302	Misc General Exps	522062	Entertainment	\$0 00	\$27 06
0003	9302	Misc General Exps	522070	Education Exp	\$0 00	\$0 00
0003	9302	Misc General Exps	522080	Park/In-town Travel	\$4,853 25	\$6,494 33
0003	9302	Misc General Exps	522090	Awards/Gifts	\$11,897 57	\$254,899 14
0003	9302	Misc General Exps	522110	Occ Hlth & Safety	\$2,763 05	\$12,484 54
0003	9302	Misc General Exps	522120	Books & Subscriptions	\$63 99	\$29 00
0003	9302	Misc General Exps	522130	Misc Empl Rel Exp	(\$5,755 88)	\$162 56
0003	9302	Misc General Exps	522140	Recruit/Empl Agency	\$0 00	\$8,169 26
0003	9302	Misc General Exps	523000	Empl Reimburs/Deduct	\$153 08	\$470 59
0003	9302	Misc General Exps	530010	M&S - Non Inv	\$4,044 39	\$57,317 71
0003	9302	Misc General Exps	530020	M&S-Stores,Tools	\$0 00	\$0 00
0003	9302	Misc General Exps	530030	M&S-Ofc Furn & Equip	\$0 00	\$0 00
0003	9302	Misc General Exps	530050	M&S-Salvage	\$0 00	\$0 00
0003	9302	Misc General Exps	530987	M&S-Inventory Return	(\$5,759 22)	\$0 00
0003	9302	Misc General Exps	530991	M&S - Inv Write-Dns	\$20,996 44	\$1,134 07
0003	9302	Misc General Exps	530998	M&S-Scrapping/Dest	\$1,158 66	\$2,308,761 57
0003	9302	Misc General Exps	530999	M&S-Inventory Issued	(\$14,727 38)	\$35,204 94
0003	9302	Misc General Exps	531020	Motor-Veh & Plt	\$0 00	\$0 00
0003	9302	Misc General Exps	531030	Purch Veh Fuel Exp	\$1,192 09	\$1,012 63
0003	9302	Misc General Exps	532020	M&S-Equipment	\$22 27	\$135 81
0003	9302	Misc General Exps	532040	M&S-Misc	\$54 11	\$20,577 03
0003	9302	Misc General Exps	533010	Purch-Comp Hdware	\$482 83	\$4,686 60
0003	9302	Misc General Exps	533020	Pur-Comp Sftw & Upgd	\$0 00	\$0 00
0003	9302	Misc General Exps	534010	Purch-Comm Eq	\$437 12	\$4,007 54
0003	9302	Misc General Exps	535010	Office Supplies	\$1,374 58	\$1,641 38
0003	9302	Misc General Exps	535016	One Pay Card	\$343,221 45	(\$191,050 03)
0003	9302	Misc General Exps	540020	Eng & Tech Services	(\$5,958 16)	\$161,518 18
0003	9302	Misc General Exps	540050	Construction Svcs	\$351,418 57	\$1,692,173 38
0003	9302	Misc General Exps	540060	Tree Clearing Svcs	\$32,738 20	\$0 00
0003	9302	Misc General Exps	540080	Billable Cntrctd Lbr	\$97,112 93	\$37,810 83
0003	9302	Misc General Exps	543010	Prof Serv-Ded	(\$143,735 57)	(\$158,726 85)

Company Code	FERC Account	FERC Description	GL Number	GL Account Description	009/2018	012/2018
0003	9302	Misc General Exps	543040	Admin Services	\$2,250 00	\$1,000 00
0003	9302	Misc General Exps	543050	Technical Services	\$35,546 48	(\$150,158 56)
0003	9302	Misc General Exps	543080	Media	\$0 00	\$0 00
0003	9302	Misc General Exps	543090	Wireless Services	\$99,033 87	\$146,270 15
0003	9302	Misc General Exps	543150	Legal Services	\$0 00	\$0 00
0003	9302	Misc General Exps	543160	Reimbursable Costs	(\$31 02)	(\$11,026 64)
0003	9302	Misc General Exps	545010	Property Services	\$9,325 90	\$9,816 89
0003	9302	Misc General Exps	545040	Cont/Sv Add/Alt/Rem	\$40,649 87	\$5,407 26
0003	9302	Misc General Exps	545045	Cont/Sv -Bldg Mnt	\$251 51	\$190 26
0003	9302	Misc General Exps	545100	Misc General Exps	\$0 00	\$8,363 85
0003	9302	Misc General Exps	545120	Temp Manpower Svc	\$25,628 44	\$46,550 85
0003	9302	Misc General Exps	545150	Printing Svcs	\$2,965 25	\$0 00
0003	9302	Misc General Exps	545160	Software Maintenance	\$169,548 73	\$0 00
0003	9302	Misc General Exps	545170	Hardware Maintenance	\$4,764 08	\$98,709 20
0003	9302	Misc General Exps	545510	IT Services	\$0 00	\$24,543 75
0003	9302	Misc General Exps	545520	Long Distance/Fax	\$44 46	\$7,712 52
0003	9302	Misc General Exps	546010	Other Services	\$14 67	\$25,909 76
0003	9302	Misc General Exps	550020	Misc Adm Expenses	\$25,295 09	\$28,568 50
0003	9302	Misc General Exps	550025	Meeting Exp	\$0 00	\$0 00
0003	9302	Misc General Exps	550040	Postage/Courier	\$0 00	\$0 00
0003	9302	Misc General Exps	550041	Courier Expense	\$1,379 10	\$1,620 24
0003	9302	Misc General Exps	550050	Bank Charges & Fees	\$40 00	\$0 00
0003	9302	Misc General Exps	550060	Filing Fees	\$0 00	\$0 00
0003	9302	Misc General Exps	550080	Club Member & Exp	\$1,475 00	\$23,444 00
0003	9302	Misc General Exps	550086	Member Dues in Orgn	\$0 00	\$0 00
0003	9302	Misc General Exps	550087	Dues-Industry	\$61,396 42	\$73,443 42
0003	9302	Misc General Exps	550100	Freight	\$0 00	\$0 00
0003	9302	Misc General Exps	559951	Cap Materials	\$0 00	\$0 00
0003	9302	Misc General Exps	559959	Cap COH	\$0 00	\$0 00
0003	9302	Misc General Exps	559990	ASC 715 Svc Company	\$2,815,105 66	(\$348,088 11)
0003	9302	Misc General Exps	559994	Cont in Aid of Const	\$0 00	\$0 00
0003	9302	Misc General Exps	562170	Uniforms	\$0 00	\$0 00
0003	9302	Misc General Exps	565010	Repairs & Maintenanc	\$0 00	\$0 00
0003	9302	Misc General Exps	565040	Rep & Maint-Vehicles	\$0 00	\$0 00
0003	9302	Misc General Exps	566030	Sponsorships/Contrib	\$71,700 00	\$114,625 18
0003	9302	Misc General Exps	566040	Contrib-R & D	\$0 00	\$0 00
0003	9302	Misc General Exps	571010	Utilities-Electricit	\$7,514 16	\$4,577 47
0003	9302	Misc General Exps	571020	Util-Land-Phones Cir	\$167,681 93	\$259,527 53
0003	9302	Misc General Exps	571050	Utilities-Other	\$8 41	\$8 58
0003	9302	Misc General Exps	583005	Construction OH	\$0 00	\$0 00
0003	9302	Misc General Exps	621016	Fleet Maint	\$4,975 45	\$4,936 00
0003	9302	Misc General Exps	621017	Fleet Adj, Damg. Mod	(\$1,148 85)	\$836 99
0003	9302	Misc General Exps	621023	Shops	\$0 00	\$0 00
0003	9302	Misc General Exps	641001	Construction OH	\$0 00	\$0 00
0003	9302	Misc General Exps	641002	Stores Overhead	\$7,246 21	\$11,311 89
0003	9302	Misc General Exps	641003	Transportation OH	\$11,661 94	\$6,062 68
0003	9302	Misc General Exps	642071	Fleet Allocation	\$742 54	\$2,771 09
0003	9302	Misc General Exps	642074	Construction OH	(\$162,612 03)	(\$163,181 29)
0003	9302	Misc General Exps	642080	Cap Labor Alloc	(\$1,281,209 32)	\$345,195 34
0003	9302	Misc General Exps	642094	Internal Allocation	\$1,580 46	\$1,634 38
0003	9302	Misc General Exps	642095	REDG Allocation	(\$58,667 10)	(\$61,928 41)
0003	9302	Misc General Exps	642125	Land & Field Svcs	\$29,103 51	\$53,304 93
0003	9302	Misc General Exps	642142	Fleet GPS	\$867 81	\$5,063 69
0003	9302	Misc General Exps	642223	Comm Circuit Mgmt	(\$37,864 28)	(\$52,711 91)
0003	9302	Misc General Exps	643001	Un labor-ST-IntAlloc	\$65,448 93	\$41,887 22
0003	9302	Misc General Exps	643002	Un Labor 1 1/2-IntAl	\$19,056 33	\$11,274 38
0003	9302	Misc General Exps	643003	Un Labor-DBL-Int Act	\$9,125 27	\$6,121 51
0003	9302	Misc General Exps	643101	Labor-ST-NExmpt	(\$6,853 40)	(\$10,836 85)
0003	9302	Misc General Exps	643102	Labor 1 1/2-NExmpt	(\$59 85)	(\$1,137 07)
0003	9302	Misc General Exps	643201	Labor-ST-Exempt	\$147 85	\$10,652 84
0003	9302	Misc General Exps	643202	Labor 1 1/2-Exempt	(\$2,750 67)	\$0 00

Company Code	FERC Account	FERC Description	GL Number	GL Account Description	009/2018	012/2018
0003	9302	Misc General Exps	643501	Fleet Fuel	\$2,459 95	\$1,696 01
0003	9302	Misc General Exps	643523	Transportation Exp	\$0 00	(\$36 60)
0003	9302	Misc General Exps	643528	Land/Field Serv Bill	\$50,573 02	(\$106,691 67)
0003	9302	Misc General Exps	646101	Governance-Legal	\$786,142 96	\$887,022 40
0003	9302		646102	Governance-Fin	\$1,639,985 49	\$1,632,057 98
0003	9302	Misc General Exps	646103	Governance-HR	\$900,237 43	\$1,326,192 80
0003	9302	Misc General Exps	646104	Governance-Comm	\$19,467 43	\$58,953 54
0003	9302	Misc General Exps	646106	Governance-ExMgt	\$427,031 21	\$307,714 75
0003	9302	Misc General Exps	646107	Gov-Regulated Oper	\$211,405 25	\$135,450 05
0003	9302	Misc General Exps	646109	Gov-Leg Misc Bus Exp	\$611 50	\$607 02
0003	9302	Misc General Exps	646110	Gov-Fin Misc Bus Exp	\$10,843 71	\$9,146 79
0003	9302	Misc General Exps	646111	Gov-HR Misc Bus Exp	\$420 85	\$10,778 39
0003	9302	Misc General Exps	646113	Gov-ExMgt Misc Bus E	\$0 00	\$428 00
0003	9302	Misc General Exps	646114	Gov-Comm Mis Bus Exp	\$5 36	\$0 00
0003	9302	Misc General Exps	646116	Gov-Reg Oper Mis Bus	\$1,252 32	\$245 44
0003	9302	Misc General Exps	646133	BSS Gov Misc Bus Ex	\$2,324 62	\$1,139 15
0003	9302	Misc General Exps	646136	BSS Governance	\$57,307 05	\$46,418 21
0003	9302	Misc General Exps	646141	Reg Ops-VP Mktg	\$92,889 09	\$391,390 52
0003	9302	Misc General Exps	646160	Gov-HR ASC 715 Non S	\$315,185 72	\$270,189 46
0003	9302	Misc General Exps	646201	Legal Direct	\$292,034 66	\$255,256 57
0003	9302	Misc General Exps	646204	Finance Direct	\$229,663 26	\$147,416 39
0003	9302	Misc General Exps	646205	Comm Direct	\$7,728 47	\$1,976 31
0003	9302	Misc General Exps	646206	Reg Ops Direct	\$6,063 03	\$11,067 61
0003	9302	Misc General Exps	646207	Direct - HR	\$7,933 85	\$4,962 90
0003	9302	Misc General Exps	646210	Govt A Direct	\$0 00	\$82,182 54
0003	9302	Misc General Exps	646211	Dir Leg Misc Bus Exp	\$1,203 78	\$789 97
0003	9302	Misc General Exps	646212	Dir Fin Misc Bus Exp	\$0 00	\$0 00
0003	9302	Misc General Exps	646214	Dir Reg Misc Bus Exp	\$0 00	\$0 00
0003	9302	Misc General Exps	646215	Dir Com Misc Bus Exp	\$3,033 60	\$25,086 49
0003	9302	Misc General Exps	646216	Dir GA Misc Bus Exp	(\$573 89)	(\$114 78)
0003	9302	Misc General Exps	646232	Direct - Regulatory	\$75,452 85	\$501,608 97
0003	9302	Misc General Exps	646242	Comm Rel Direct	\$59,643 12	(\$1,010,356 18)
0003	9302	Misc General Exps	646301	Support Svcs- Legal	\$104,939 89	\$120,864 98
0003	9302	Misc General Exps	646302	Support Svcs- Fin	\$144,415 47	\$118,399 11
0003	9302	Misc General Exps	646303	Support Svcs- HR	\$490,286 24	\$642,290 71
0003	9302	Misc General Exps	646304	Support Svcs- Comm	\$280,582 05	\$1,356,217 33
0003	9302	Misc General Exps	646308	Sup Leg Misc Bus Exp	\$446 02	\$3,497 42
0003	9302	Misc General Exps	646310	Sup- HR Misc Bus Exp	\$5,192 42	\$9,552 11
0003	9302	Misc General Exps	646312	Sup-Com Misc Bus Exp	\$20,222 93	\$269,070 29
0003	9302	Misc General Exps	646325	Other-IT Svc	\$2,003,866 60	\$3,148,169 92
0003	9302	Misc General Exps	646329	IT -Misc Bus Expense	\$0 00	\$0 00
0003	9302	Misc General Exps	646335	Direct Legal Labor	\$150,854 50	\$109,965 66
0003	9302	Misc General Exps	646336	Direct Regulatory La	\$407,927 04	\$367,070 49
0003	9302	Misc General Exps	646340	Direct Finance Labor	\$204,320 19	\$270,628 30
0003	9302	Misc General Exps	646341	Xchrgs to IT	\$202,575 90	\$193,945 49
0003	9302	Misc General Exps	646342	Xchrgs to HR	\$59,927 44	\$69,858 72
0003	9302	Misc General Exps	646343	Xchrgs to Finance	\$473,507 54	\$389,902 51
0003	9302	Misc General Exps	646344	Xchrgs to Regulatory	\$102,301 43	\$88,705 88
0003	9302	Misc General Exps	646346	Xchrgs to Reg Ops co	\$248,029 64	\$358,768 57
0003	9302	Misc General Exps	646347	Xchrgs to Communicat	\$42,169 44	\$43,700 49
0003	9302	Misc General Exps	646348	Xchrgs to Legal	\$46,052 78	\$89,131 60
0003	9302	Misc General Exps	646349	Xchrgs to Exec Mgmt	\$6,581 06	\$7,450 23
0003	9302	Misc General Exps	646350	Xchrgs to Bus Spt Sv	\$95,219 73	\$126,658 29
0003	9302	Misc General Exps	646352	General Shared Svcs	\$150,232 84	\$158,089 43
0003	9302	Misc General Exps	646358	Sh Svcs-Misc Bus Exp	\$0 00	\$0 00
0003	9302	Misc General Exps	646361	Reg Ops Rent	\$85,119 77	\$68,999 29
0003	9302	Misc General Exps	646386	COA1/646386	\$106,969 94	\$145,452 19
0003	9302	Misc General Exps	702050	Depr-Transportation	\$9,271 62	\$7,727 73
0003	9302	Misc General Exps	718011	Pension - Non-Servic	(\$1,339,679 37)	\$0 00
0003	9302	Misc General Exps	718016	Pension NonQualified	(\$719,479 75)	\$0 00
0003	9302	Misc General Exps	718032	Post Retirement Non	(\$450,913 24)	\$0 00

Company Code	FERC Account	FERC Description	GL Number	GL Account Description	009/2018	012/2018
0003	9302	Misc General Exps	718033	PostRet Split\$ Life	\$4,833 34	\$4,833 34
0003	9302	Misc General Exps	718166	Deferred Comp Plan	\$29,167 00	\$29,167 00
					<u>\$14,466,088 12</u>	<u>\$19,511,305 72</u>

	<b>FERC 9302 Variance Favorable/ (Unfavorable) 2017 vs 2016</b>	<b>2017 vs 2016 Explanation</b>	<b>FERC 9302 Variance Favorable/ (Unfavorable) 2018 vs 2017</b>	<b>2018 vs 2017 Explanation</b>
Business & Operations Support	\$ 1,188,390	Security Operations Center transferred from Service Co to Houston Electric in 2017	\$ (194,376)	Increased support costs from Technology Operations cross charges allocated to business units
Communications/Community Relations	(5,852)	Minor variance	(138,437)	Increased Employee Communications, Media Relations, accelerated Charitable Donation/Sponsorships (Houston Community Outreach) and 2017 Harvey Donations
Environmental/Safety/Training	-	Did not exist as a Service Co function until 2018	(656,349)	Organization change formed Environmental/Safety/Training within Service Co to serve all business units
Executive Management	(1,322,675)	Unfavorable STI True Ups in 2017 for years 2016 and 2017, competitive pay adjustments, offset by favorable employee expenses, depreciation, memberships, and donations/sponsorships	1,321,365	Unfavorable competitive pay adjustments, increased depreciation, fuel, and maintenance exp related to aircraft, offset by favorable STI True Ups in 2017 for years 2016 and 2017 and donations/sponsorships
Finance	1,028	Minor variance	(1,542,220)	Increased Labor, Contract Services (SNL Unlimited, Fin Reporting-Lease Acctg Standard Implementation, Tax-R&D credit analysis, Tax Provision, Mixed Service Cost Analysis,) and TechOps Support (Treasury Process Enhancement), Cyber/Fiduciary Insurance, Tax system, Oracle & SAP maintenance, and Advance Finance
Government Affairs	15,193	Minor variance	(268,789)	
Human Resources	(838,069)	Increased Learning/Organizational Development (Leadership Academy, Skillsoft service & HMM contracts), Hewitt AON Actuanal services	(3,852,982)	In 2017 the non-service component of pension related benefits was included in the payroll burden and as such, was included across all functions following labor. In 2018 with the implementation of ASC 715 Accounting Standard Change, the non-service component of pension related benefits is no longer included in payroll burden and is recorded in the HR function
Legal	(994,481)	Increased headcount in 2017 due to reorganization from Regulatory, Increased Outside Legal Services, Internal Time, and Temp Manpower Services relating to Legal Litigation for CenterPoint Houston matters, CenterPoint Houston Regulatory filings and Compliance & Records pertaining to CenterPoint Houston records	(528,729)	Increased Outside Legal Services, Internal Time, and Temp Manpower Services relating to Legal Litigation for CenterPoint Houston matters, CenterPoint Houston Regulatory filings and Compliance & Records pertaining to CenterPoint Houston records

	<b>FERC 9302 Variance Favorable/ (Unfavorable) 2017 vs 2016</b>	<b>2017 vs 2016 Explanation</b>	<b>FERC 9302 Favorable/ (Unfavorable) 2018 vs 2017</b>	<b>2018 vs 2017 Explanation</b>
Regulatory	363,356	Favorable variances shown in 2017 vs 2016 are the result of various organizational changes in headcount to Legal and related vendor payments and billable hours	(992,429)	The Regulatory variances are primarily due to 2017 reimbursements related to facility evaluations services and Energy Efficiency, vendor payments transitioning from Regulatory to Legal beginning in 2017, an increase in expenses related to the Bailey to Jones Creek CCN matter and an increase in internal time spent on CenterPoint Houston related matters including RPMO, ERCOT, PUC and the CenterPoint Houston Rate Case
Regulated Operations Management	110,980	Increases due to competitive pay adjustments, consulting services, increases in RegOps Marketing Commercial & Industrial (C&I) Relations team growing from 1 employee to 3 employees (2 Key Account Managers were added in 2017), driving an increase in Labor & Benefits. The increase also includes the associated Employee Expenses and Customer Communications managed by this team, offset by reduced Call Center agent headcounts in 2017 vs 2016 resulting in lower TechOps and HR allocations	(469,561)	Increased headcount to support growing Customer Operations, additional growth and expansion of commercial & industrial relations programs, competitive pay adjustments, and severance within Reg Ops Marketing
Technology Operations	(226,657)	Decreased depreciation and labor allocations to Mainframe CPU service and costs related to regulatory mandated activities, offset by increases in Oracle Fusion software maintenance and services, corporate function billings from Business & Operations Support and Finance, and shift in treatment of software costs for Service Now	(2,834,003)	Increased Enterprise Infrastructure hardware and software maintenance (IBM, ELA, PCPC hardware), Oracle Fusion software maintenance and services, transfer of Houston Electric employees to Service Company (Tech & Markets), software maintenance for FileNet, additional Cyber Security headcount increases to support enterprise, and increase in corporate support billings primarily from Business & Operations Support
<b>CenterPoint Houston Direct</b>	(7,151,038)	Please see part c. of this response and GCCC 02-17 (a)	1,483,926	Please see part c. of this response and GCCC 02-17 (a)
<b>Total FERC 9302 Variance Year over Year</b>	<u>\$ (8,859,824)</u>		<u>\$ (8,672,585)</u>	

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

**GULF COAST COALITION OF CITIES  
REQUEST NO.: GCCC01-13**

**QUESTION:**

Refer to the Direct Testimony of Michelle Townsend at page 46 discussing the \$1.6 million adjustment for CenterPoint Energy Service Company, LLC's employee labor that would have been billed to CEHE during the time of integration planning in 2018 for the Vectren merger.

- a. Please provide all workpapers utilized to compute the referenced calculations in electronic format with all formulas intact.
- b. Please explain why there is no assumption that the integration planning and implementation for the Vectren merger will continue into 2019 and going forward that will continue to decrease the employee labor billings to CEHE.

**ANSWER:**

- a. Please see GCCC01-13 Attachment 1.xlsx.
- b. The integration planning process ended on the day the merger occurred, February 1st. At that point we entered the integration implementation phase which is a business activity to implement the initiatives designed by the integration teams. Therefore the resources working on implementation remain within their business areas and only their incremental costs for travel to participate in integration meetings are charged to the Integration Management Office.

**SPONSOR:**

Michelle Townsend (Michelle Townsend)

**RESPONSIVE DOCUMENTS:**

GCCC01-13 Attachment 1.xlsx

SOAH DOCKET NO. 473-19-3864  
PUC Docket No. 49421  
GCCC01-13 Attachment 1  
Page 1 of 4

**Estimated Service Company Integration Billings  
Allocated to CenterPoint Energy Houston Electric, LLC**

<b>FERC</b>	<b>Amount</b>
1070	60,940.86
4261	1,468.44
4264	63,382.37
4265	680.62
5600	36,146.50
5800	154,639.48
9020	2,287.09
9030	81,383.07
9090	1,935.99
9210	31,860.03
9250	25,497.76
9302	1,113,066.08
	<u><b>1,573,288.30</b></u>



Estimated Service Company Integration Billings  
Allocated to CenterPoint Energy Houston Electric, LLC

Cost Center	Description	Service Co Billed to Integration Planning	2018 Cost Center Allocation			CEHE Portion Integration Billing
			Total Billed	CEHE Portion	% to CEHE	
125007	Corp Fin Ping & Perf	36,650.88	909,840.75	493,220.25	54.2%	19,868
125019	Corp Communications	173,003.57	884,463.10	315,335.88	36.5%	63,108
125020	Corp Legal	304,118.46	1,289,646.48	518,493.55	40.8%	124,195
125021	Central Legal	11,220.00	1,863,131.50	1,009,701.54	54.2%	6,081
125036	ENVIRONMENTAL SRVS	103,333	405,968	270,135	66.5%	68,798
125050	Local Relations	49,216	225,036	159,517	70.9%	34,887
125055	Compliance/Records	21,217	2,725,125	1,177,478	43.2%	9,187
125056	Community Relations	55,692	2,936,100	1,752,065	59.7%	33,233
125100	Chief Acctg Officer	42,282	784,506	425,487	54.2%	22,938
125101	Fin Rep/Corp Acctg	23,630	3,116,149	1,683,173	54.0%	12,764
125104	Property Accounting	16,955	1,261,641	524,935	41.0%	6,944
125109	Trans & Ad Val Tax	17,827	1,818,376	1,077,960	59.3%	10,588
125123	BUS & OPS SUPPORT VP	99,178	513,606	306,177	59.6%	59,123
125127	Lg Comm& Indus Bill	11,007	813,379	613,379	100.0%	11,007
125132	Regulatory Rptg Gas	15,885	876,775	296,576	33.8%	5,400
125171	HR - Recruitment Str	29,189	857,214	347,147	40.5%	11,821
125176	Talent Acquisition S	33,003	547,912	221,386	40.4%	13,335
125181	HR-Learning & Organ	71,858	3,251,281	1,125,301	34.6%	24,874
125210	Long Term Financing	97,200	1,099,053	595,774	54.2%	52,690
125307	SVP & Chief HR Offcr	129,292	2,546,483	1,380,498	54.2%	70,092
125402	Chief Risk Officer	97,824	1,703,254	921,426	54.1%	52,921
125405	Audit - B	15,776	792,153	429,609	54.2%	8,556
125420	Legal Regulatory	214,723	(958,389)	(390,179)	40.7%	87,420
125421	Legal Litigation	307,619	(487,751)	(198,361)	40.7%	125,104
156145	P&L PURCH & MM DIR	99,194	1,192,498	509,289	42.7%	42,352
156148	P&L PROCUR & SOURCE	31,755	928,510	0.0%	-	
156150	P&L GAS PURCH MGR	6,675	273,770	0.0%	-	
156155	P&L CONTRACT ADMIN.	56,994	712,425	232,237	32.6%	18,579
156160	SEC SECURITY DIR	1,742	1,863,289	1,260,937	67.7%	1,179
156201	Technology System Co	44,215	847,059	0.0%	-	
156207	Technology Security	24,565	7,259,334	3,895,088	53.7%	13,181
156211	Technology Sys Infra	31,068	820,649	0.0%	-	
156219	Tech Consulting Svc	163,221	834,522	0.0%	-	
156223	Bus User Supp/Svc Desk	26,773	1,319,729	727,591	55.1%	14,760
156225	Archit/Tech Risk	162,499	2,294,341	1,234,500	53.8%	87,435
156226	Customer Solutions	298,980	1,579,196	729,589	46.2%	138,129
156231	TO Advance Finance	56,344	1,517,790	0.0%	-	
156239	Mkt/Field/Logistics	12,799	58,120	28,287	48.7%	6,229
156250	Contact Center Tech	471	4,153,291	0.0%	-	
156255	Technical Operations	35,035	558,488	300,355	53.8%	18,842
156267	Portfolio & Integrat	3,597	1,297,615	697,341	53.7%	1,933
156269	Org, Read/Risk Mgmt	112,476	1,075,314	578,243	53.8%	60,483
158801	HR - Electric Ops	48,842	1,261,702	1,261,702	100.0%	48,842
158802	HR - Compensation	37,256	1,342,554	509,446	37.9%	14,137
158803	HR - Benefits	57,928	1,216,603	461,313	37.9%	21,965
158805	HR - Gas Ops	47,851	1,946,202	0.0%	-	
159022	Regulatory	182,970	595,362	232,722	39.1%	71,521
159032	Houston Call Center	40,071	3,696,807	478,673	12.9%	5,189
159044	Claims	43,305	1,696,532	993,019	58.9%	25,498
159051	Fleet & Shop Srv Adm	45,321	737,487	518,453	70.3%	31,861
159081	Marketing Communicat	5,154	2,665,648	1,001,363	37.6%	1,936
159082	Bill Print/Insert Ops	42,972	2,087,897	0.0%	-	
159090	Gas Sales and CIP im	52,353	297,184	0.0%	-	
159093	Strategic Marketing	35,627	1,102,817	444,959	40.3%	14,374
		<b>3,787,852</b>	<b>76,777,692</b>	<b>31,151,342</b>		<b>1,573,288</b>

Estimated Service Company  
Allocated to CenterPoint Ene

2018 Cost Center FERC Allocation													
Description	Cost Center	4261	4264	4266	5600	5800	9020	9030	9090	9210	9250	9302	1070 Total
Corp Fin Ping & Perf	125007			3,055								490,165	493,220
Corp Communications	125019			5								315,329	315,336
Corp Legal	125020		30,477	1,710								486,306	518,494
Central Legal	125021											1,009,702	1,009,702
ENVIRONMENTAL SRVS	125036											270,135	270,135
Local Relations	125050		142,296									17,220	199,517
Compliance/Records	125055											1,177,478	1,177,478
Community Relations	125056	77,416										1,674,649	1,752,065
Chief Acctg Officer	125100			643								424,844	425,487
Fin Rep/Corp Acctg	125101											1,693,173	1,693,173
Property Accounting	125104											524,935	524,935
Trans & Ad Val Tax	125109											1,077,980	1,077,980
BUS & OPS SUPPORT VP	125123			2,938								303,239	306,177
Lg Comm& Indus Bill	125127											613,379	613,379
Regulatory Rptg Gas	125132											296,576	296,576
HR - Recruitment Str	125171											347,147	347,147
Talent Acquisition S	125176											221,396	221,396
HR-Learning & Organi	125181											1,125,301	1,125,301
Long Term Financing	125210			2,148								593,629	595,774
SVP & Chief HR Offcr	125307			2,073								1,378,424	1,380,498
Chief Risk Officer	125402											921,426	921,426
Audit - B	125405											429,609	429,609
Legal Regulatory	125420		(23,063)	31								(367,147)	(390,179)
Legal Litigation	125421		(11,808)	1,602								(188,155)	(198,361)
P&L PURCH & MM DIR	156145												
P&L PROCLR & SOURCE	156148												509,269
P&L GAS PURCH MGR	156150												
P&L CONTRACT ADMIN.	156155												
SEC SECURITY DIR	156160												232,237
Technology System Co	156201											1,260,937	1,260,937
Technology Security	156207				406,441	1,768,289	30,040	530,199				1,160,119	3,895,088
Technology Sys Infra	156211												
Tech Consulting Svc	156219												
Bus User Supp/Svc Desk	156223				148,234	549,421	7,622	13,301				9,013	727,591
Archit/Tech Risk	156225				129,067	560,159	9,360	166,243				369,670	1,234,500
Customer Solutions	156226				72,801	315,681	3,790	181,766				155,551	729,589
TO Advance Finance	156231												
Mkt/Field/Logistics	156239				1,546	6,138	81	11,740				8,782	28,287
Contact Center Tech	156250												
Technical Operations	156265				31,359	138,623	2,313	41,669				88,491	300,355
Portfolio & Integrat	156267				72,717	316,281	5,383	96,170				206,790	697,341
Org. Read/Rsk Mgmt	156289				60,521	260,780	4,516	80,470				171,956	578,243
HR - Electric Ops	158801											1,261,702	1,261,702
HR - Compensation	158802											509,446	509,446
HR - Benefits	158803											461,313	461,313
HR - Gas Ops	158805												
Regulatory	159022		40,175	869								191,678	232,722
Houston Call Center	159032												478,673
Claims	159044							478,673				993,019	993,019
Fleet & Shop Srv Adm	159051												
Marketing Communicat	159081								1,001,363	518,445		8	518,453
Bill Print/Insert Ops	159082												1,001,363
Gas Sales and CIP Im	159090												
Strategic Marketing	159093											9,712	444,859
		77,416	178,080	16,072	922,666	3,913,271	63,105	2,035,479	1,001,363	518,445	993,019	20,691,900	741,506
													31,161,342

Estimated Service Company  
Allocated to CenterPoint Ene

Description	Cost Center	Allocate Integration Adjustment to CENE FERCs												
		4261	4264	4265	5600	5800	9020	9030	9090	9210	9250	9302	1070 Total	
Corp Fin Ping & Perf	125007	-	-	123	-	-	-	-	-	-	-	19,745	-	19,868
Corp Communications	125019	-	-	1	-	-	-	-	-	-	-	63,106	-	63,106
Corp Legal	125020	-	7,300	410	-	-	-	-	-	-	-	116,485	-	124,195
Central Legal	125021	-	-	-	-	-	-	-	-	-	-	6,081	-	6,081
ENVIRONMENTAL SRVS	125036	-	-	-	-	-	-	-	-	-	-	68,758	-	68,758
Local Relations	125050	-	31,121	-	-	-	-	-	-	-	-	3,766	-	34,887
Compliance/Records	125055	-	-	-	-	-	-	-	-	-	-	9,167	-	9,167
Community Relations	125056	1,468	-	-	-	-	-	-	-	-	-	31,765	-	33,233
Chief Acctg Officer	125100	-	-	35	-	-	-	-	-	-	-	22,903	-	22,938
Fin Rep/Corp Acctg	125101	-	-	-	-	-	-	-	-	-	-	12,764	-	12,764
Property Accounting	125104	-	-	-	-	-	-	-	-	-	-	6,944	-	6,944
Trans & Ad Val Tax	125109	-	-	-	-	-	-	-	-	-	-	10,568	-	10,568
BUS & OPS SUPPORT VP	125123	-	-	567	-	-	-	-	-	-	-	58,556	-	59,123
Lg Comm& Indus Bill	125127	-	-	-	-	-	-	-	-	-	-	11,007	-	11,007
Regulatory Rptg Gas	125132	-	-	-	-	-	-	-	-	-	-	5,400	-	5,400
HR - Recruitment Str	125171	-	-	-	-	-	-	-	-	-	-	11,821	-	11,821
Talent Acquisition S	125176	-	-	-	-	-	-	-	-	-	-	13,335	-	13,335
HR-Learning & Organz	125181	-	-	-	-	-	-	-	-	-	-	24,874	-	24,874
Long Term Financing	125210	-	-	190	-	-	-	-	-	-	-	52,500	-	52,690
SVP & Chief HR Officer	125307	-	-	105	-	-	-	-	-	-	-	69,967	-	70,092
Chief Risk Officer	125402	-	-	-	-	-	-	-	-	-	-	52,921	-	52,921
Audit - B	125405	-	-	-	-	-	-	-	-	-	-	8,556	-	8,556
Legal Regulatory	125420	-	5,167	(7)	-	-	-	-	-	-	-	82,259	-	87,420
Legal Litigation	125421	-	7,447	(1,010)	-	-	-	-	-	-	-	118,667	-	125,104
P&L PURCH & MM DIR	156145	-	-	-	-	-	-	-	-	-	-	-	42,362	42,362
P&L PROCUR & SOURCE	156148	-	-	-	-	-	-	-	-	-	-	-	-	-
P&L GAS PURCH MGR	156150	-	-	-	-	-	-	-	-	-	-	-	-	-
P&L CONTRACT ADMIN.	156155	-	-	-	-	-	-	-	-	-	-	-	18,579	18,579
SEC SECURITY DIR	156160	-	-	-	-	-	-	-	-	-	-	1,179	-	1,179
Technology System Co	156201	-	-	-	-	-	-	-	-	-	-	-	-	-
Technology Security	156207	-	-	-	1,375	5,984	102	1,794	-	-	-	3,926	-	13,181
Technology Sys Infra	156211	-	-	-	-	-	-	-	-	-	-	-	-	-
Tech Consulting Svc	156219	-	-	-	-	-	-	-	-	-	-	-	-	-
Bus User Supp/Svc Desk	156223	-	-	-	3,007	11,146	155	270	-	-	-	183	-	14,780
Archit/Tech Risk	156225	-	-	-	9,141	39,674	663	11,774	-	-	-	26,182	-	87,435
Customer Solutions	156226	-	-	-	13,783	59,766	718	34,413	-	-	-	29,450	-	138,129
TO Advance Finance	156231	-	-	-	-	-	-	-	-	-	-	-	-	-
Mkt/Field/Logistics	156239	-	-	-	340	1,352	18	2,585	-	-	-	1,934	-	6,229
Contact Center Tech	156250	-	-	-	-	-	-	-	-	-	-	-	-	-
Technical Operations	156265	-	-	-	1,967	8,564	145	2,614	-	-	-	5,551	-	18,842
Portfolio & Integrat	156267	-	-	-	202	877	15	267	-	-	-	573	-	1,933
Org Read/Risk Mgmt	156269	-	-	-	6,330	27,277	472	8,417	-	-	-	17,996	-	60,483
HR - Electric Ops	158801	-	-	-	-	-	-	-	-	-	-	48,842	-	48,842
HR - Compensation	158802	-	-	-	-	-	-	-	-	-	-	14,137	-	14,137
HR - Benefits	158903	-	-	-	-	-	-	-	-	-	-	21,965	-	21,965
HR - Gas Ops	158905	-	-	-	-	-	-	-	-	-	-	-	-	-
Regulatory	159022	-	12,347	267	-	-	-	-	-	-	-	58,907	-	71,521
Houston Call Center	159032	-	-	-	-	-	-	5,189	-	-	-	-	-	5,189
Claims	159044	-	-	-	-	-	-	-	-	25,498	-	-	-	25,498
Fleet & Shop Srv Adm	159051	-	-	-	-	-	-	-	31,860	-	-	1	-	31,861
Marketing Communicat	159061	-	-	-	-	-	-	1,936	-	-	-	-	-	1,936
Bill Print/Insert Ops	159082	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas Sales and CIP Im	159090	-	-	-	-	-	-	-	-	-	-	-	-	-
Strategic Marketing	159093	-	-	-	-	-	-	14,061	-	-	-	-	-	14,061
		1,468	63,382	681	36,147	154,639	2,287	81,383	1,936	31,860	25,498	1,113,066	60,941	1,573,288