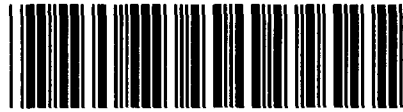


Control Number: 49421



Item Number: 614

Addendum StartPage: 0

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

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

**COMMISSION STAFF'S SEVENTEENTH REQUEST FOR INFORMATION TO
OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC (CEHE)
QUESTION NOS. STAFF 17-1 THROUGH 17-27**

Pursuant to 16 Texas Administrative Code (TAC) § 22.144, the Commission Staff of the Public Utility Commission of Texas (Commission) requests that CenterPoint Energy Houston Electric, LLC, (CEHE) by and through their attorneys of record, provide the following information and answer the following question(s) under oath. The questions shall be answered in sufficient detail to fully present all of the relevant facts, within the time limit provided by the Presiding Officer or within 10 days, if the Presiding Officer has not provided a time limit. Please copy the question immediately above the answer to each question. These questions are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.

Provide an original and three copies of your answers to the questions to the Filing Clerk, Public Utility Commission of Texas, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326.

6/14

Dated: June 20, 2019

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Stephen Mack
Managing Attorney

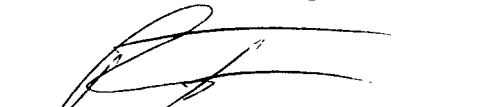


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**SOAH DOCKET NO. 473-19-3864
PUC DOCKET NO. 49421**

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on June 20, 2019, in accordance with 16 TAC § 22.74.


Rustin Tawater

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

**COMMISSION STAFF'S SEVENTEENTH REQUEST FOR INFORMATION TO
OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC (CEHE)
QUESTION NOS. STAFF 17-1 THROUGH 17-27**

DEFINITIONS

- 1) "CEHE" or "you" refers to CenterPoint Energy Houston Electric, LLC and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

- 2) "Document" includes any written, recorded, or graphic matter, however produced or reproduced, including but not limited to correspondence, telegrams, contracts, agreements, notes in any form, memoranda, diaries, voice recording tapes, microfilms, pictures, computer media, work papers, calendars, minutes of meetings or other writings or graphic matter, including copies containing marginal notes or variations of any of the foregoing, now or previously in your possession. In the event any documents requested by this Request for Information have been transferred beyond the Company's control, describe the circumstances under which the document was destroyed or transferred and provide an exact citation to the subject document. In the event that documents containing the exact information do not exist, but documents do exist which contain portions of the required information or which contain substantially similar information, then the definition of "documents" shall include the documents which do exist and these documents will be provided.

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

**COMMISSION STAFF'S SEVENTEENTH REQUEST FOR INFORMATION TO
OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC (CEHE)
QUESTION NOS. STAFF 17-1 THROUGH 17-27**

INSTRUCTIONS

- 1) Pursuant to 16 TAC § 22.144(c)(2), Staff requests that answers to the requests for information be made under oath.
- 2) Please copy the question immediately above the answer to each question. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.
- 3) These questions are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer.
- 4) Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.
- 5) The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.
- 6) If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients or copies, subject matter of the document, and the basis upon which such privilege is claimed.
- 7) Pursuant to 16 TAC § 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.
- 8) Staff requests that each item of information be made available as it is completed, rather than upon completion of all information requested.

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

**COMMISSION STAFF'S SEVENTEENTH REQUEST FOR INFORMATION TO
OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC (CEHE)
QUESTION NOS. STAFF 17-1 THROUGH 17-27**

- Staff 17-1** Troxle Rebuttal, Page 7 (4CP): Please confirm that a customer that contributes to CenterPoint's own system 4CP demand, but contributes nothing to CenterPoint's demand at the times of the ERCOT system 4CP, does not cause CenterPoint to incur wholesale transmission charges. If the response is anything other than an unqualified "confirm," please explain fully and provide all relevant citations and workpapers.
- Staff 17-2** Troxle Rebuttal, Page 7 (4CP): Please confirm that a customer that contributes nothing to CenterPoint's own system 4CP demand, but does contribute to CenterPoint's demand at the times of the ERCOT system 4CP, does cause CenterPoint to incur wholesale transmission charges. If the response is anything other than an unqualified "confirm," please explain fully and provide all relevant citations and workpapers.
- Staff 17-3** Troxle Rebuttal, Page 5 (4CP): Please confirm that Mr. Murphy does not argue that the Company should utilize the ERCOT 4CP to allocate CenterPoint's distribution costs. If the response is anything other than an unqualified "confirm," please explain fully and provide all relevant citations and workpapers, including a citation to Mr. Murphy's testimony where he recommends applying the ERCOT 4CP allocation factor to CenterPoint's retail distribution costs.
- Staff 17-4** Troxle at 6: "The CEHE 4CP is based on the peak demand of the CenterPoint Houston system, while the ERCOT 4CP is based on the peak demand of the entire ERCOT system, which encompasses CenterPoint Houston's system plus the transmission systems of other electric utilities in the ERCOT region." Do CenterPoint's retail customers receive transmission services exclusively through CenterPoint's transmission system, or do they receive transmission services from the transmission systems of all TSPs on the ERCOT transmission grid? Please explain.
- Staff 17-5** Troxle at 6: "The CEHE 4CP is based on the peak demand of the CenterPoint Houston system, while the ERCOT 4CP is based on the peak demand of the entire ERCOT system, which encompasses CenterPoint Houston's system plus the transmission systems of other electric utilities in the ERCOT region." Do the wholesale transmission charges CEHE requests to be included in the transmission system charges to retail customers include wholesale transmission charges assessed by all TSPs in the ERCOT transmission grid, or only the transmission charges assessed by CEHE acting in its role as a TSP? Please explain.

- Staff 17-6** Troxle at 7. “Pursuant to 16 Tex. Admin. Code § 25.192 (‘TAC’), the ERCOT 4CP sets the rate that all transmission service providers (‘TSPs’) in ERCOT must charge and all distribution service providers (‘DSPs’) in ERCOT must pay for wholesale transmission service, based on how all the DSPs contribute to the whole ERCOT system peak demand.” Does Mr. Troxle believe that a DSP’s demands that contribute to ERCOT system peak demands cause ERCOT transmission payments to be incurred by a DSP? Why does Mr. Troxle believe that the class demands used in his allocation approach, which are not directly tied to the demands that cause CEHE to incur wholesale transmission charges, are superior from the standpoint of cost causation as compared to the use of the class demands which are directly tied to the demands that cause CEHE to incur wholesale transmission charges (class contribution to ERCOT 4CP)?
- Staff 17-7** Troxle Rebuttal, Page 7 (4CP): Please confirm that the ERCOT transmission system is built primarily to serve the ERCOT system peak demand. If the response is anything other than an unqualified “confirm,” please explain fully and provide all relevant citations and workpapers.
- Staff 17-8** Troxle Rebuttal, Page 7 (4CP): Please confirm that CenterPoint incurs wholesale transmission charges based on the aggregate of CenterPoint’s customers’ load at the times of the ERCOT system 4CP. If the response is anything other than an unqualified “confirm,” please explain fully and provide all relevant citations and workpapers.
- Staff 17-9** Troxle Rebuttal, Page 7 (4CP): Please confirm that CenterPoint’s 2019 wholesale transmission charges are based on CenterPoint’s aggregate customer load at the times of the 2018 ERCOT system 4CP in the amount of 17,323,382.326 kW, as approved by the Commission in Docket No. 48928. If the response is anything other than an unqualified “confirm,” please explain fully and provide all relevant citations and workpapers.
- Staff 17-10** Troxle Rebuttal, Page 7 (4CP): Please confirm that CenterPoint’s 2019 wholesale transmission charges are not based on the Company’s own system peak demand. If the response is anything other than an unqualified “confirm,” please explain fully and provide all relevant citations and workpapers.
- Staff 17-11** Troxle Rebuttal, Page 7 (4CP): Please provide the kilowatt value of the Company’s own 2018 4CP system peak demand.
- Staff 17-12** Troxle Rebuttal, Page 8 (4CP): Regarding Mr. Troxle’s claim that “the Commission does not dictate how a DSP’s transmission costs should be allocated to the various rate classes,” please confirm that the Commission order in Docket No. 38339 dictated that CenterPoint’s transmission costs should be allocated to the various rate classes using the 4CP transmission cost allocator. If the response

is anything other than an unqualified “confirm,” please explain fully and provide all relevant citations and workpapers.

- Staff 17-13** Troxle Rebuttal, Page 8 (4CP): Please confirm the 4CP transmission cost allocator that the Commission ordered be used to allocate CenterPoint’s transmission costs to the rate classes in Docket No. 38339 was based on the ERCOT system 4CP and not the CenterPoint system 4CP. If the response is anything other than an unqualified “confirm,” please explain fully and provide all relevant citations and workpapers.
- Staff 17-14** Please refer to RT Troxle at footnote 24. Please provide detailed information about where the cited Errata 1 workpaper can be found. Please be sure to include the item number in the docket, the filing date, the file name, the worksheet names, and the type of medium on which the workpapers cited by Mr. Troxle appear.
- Staff 17-15** Please refer to the RT of Troxle at 43. Please provide copies of all customer impact analyses prepared by the Company that show the customer impacts on lighting customers’ retail delivery charges that will occur as a result of the switch from a non-LED to an equivalent LED “lamp” type. Please be sure to identify both the dollar impacts to customers’ retail delivery charges and also the percentage increases or decreases in retail delivery charges that will come about as a result of the switch from non-LED to an LED lamp type.
- Staff 17-16** Please refer to the RT of Sugarek at 20. Please explain in detail how the Company plans to recover the costs that will be incurred to install LED lighting for new installations.
- Staff 17-17** Please refer to the RT of Sugarek at 20. Is the Company proposing that its shareholders fund the deployment of LED lighting, and that lighting customers will bear none of the costs of the switch from non-LED to LED lighting in rates? If no, please explain which lighting customers will bear the costs of the switch to LED under the Company’s proposal, when, and under what cost recovery mechanisms.
- Staff 17-18** Please refer to the RT of Sugarek at 20. Does the Company plan to include the costs of LED installations in its request in DCRF proceedings between rate cases? If so, does the Company plan to set separate DCRF rates for LED customers and non-LED customers to reflect the different costs of the services received by them, or set one DCRF rate applicable to LED and Non-LED lighting customers?
- Staff 17-19** Please refer to the RT of Sugarek at 20. Under the Company’s proposal, who will bear the installation costs for LED lighting installations, when, and under what cost recovery mechanisms?

- Staff 17-20** Please refer to the RT of Sugarek at 22. Does Ms. Sugarek agree that Mr. Murphy relied on an analysis that was performed by CEHE?
- Staff 17-21** Please refer to the RT of Sugarek at 22. If energy savings are an important benefit of the Company's LED lighting proposal, why did the Company not quantify this benefit in the financial analysis performed by the Company that Mr. Murphy referenced in his direct testimony?
- Staff 17-22** Please refer to the RT of Sugarek at 22. Does CEHE believe that the Company's lighting customers are capable of considering lighting alternatives and choosing the alternative that is in customers' financial interests? Why or why not?
- Staff 17-23** Please refer to the RT of Sugarek at 20 regarding customer choice. Why does the Company propose to phase out and eventually eliminate the customer's option to select a non-LED lighting type? Why not let the customer choose LED voluntarily rather than having it imposed on the customer? Why is it necessary to mandate LED if the benefits of LED are obvious?
- Staff 17-24** Please refer to the RT of Sugarek at 22 regarding energy savings. Has the Company attempted to discuss the energy savings and other benefits of LED lighting with its lighting customers, outside the groups of customers included in its LED lighting pilot programs? If so, what incremental costs would the Company incur, if any, to present LED lighting alternatives to customers as an option? Put differently, what customer-related costs, if any, would the Company avoid by mandating LED lighting under the tariff rather than presenting it as an option and letting customers decide for themselves?
- Staff 17-25** Please refer to the RT of Sugarek at 23 regarding the expectations of increasing costs of non-LED lighting. Does Ms. Sugarek believe that the higher lighting rates for non-LED options, which would rise along with the increased costs to CEHE of non-LED installations, would be a factor that customers would consider in their decision to continue to use non-LED lighting or make the switch to LED? Why does the expectation of rising costs of non-LED necessitate removing customer discretion to choose non-LED now? Why not trust the customer to select the lighting type that is in his or her best interest, allowing the customer to abandon the non-LED lighting type when the customer sees the financial benefit? Why is it necessary to force the customer into LED now?
- Staff 17-26** Please refer to the RT of Troxle at 45 regarding the functionalization of UEDIT. Please provide the total amount of unprotected transmission plant related EDIT at the time of Docket No. 48065 that was used to develop the Company's Commission approved rates in that docket. Please also provide the remaining amount yet to be refunded to customers.

Staff 17-27 Please refer to the RT of Troxle at 45 regarding the functionalization of UEDIT. Please provide the total amount of unprotected distribution plant related EDIT at the time of Docket No. 48226 that was used to develop the Company's Commission approved rates in that docket. Please also provide the remaining amount yet to be refunded to customers.