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

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

PUBLIC UTILITY COMMISSION
FILING CLERK

May 1, 2019

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-01**

QUESTION:

Functionalization

For the following series of questions regarding the functionalization of costs, when prompted in the request please address each of the following FERC accounts/subaccounts separately in the response: 1823 Reg asset Hurricane Harvey, 30302 Intangible plant, 352 Structures & Improvements, 353 Station Equipment, 361 Structures & Improvements, 362 Station Equipment, 38901 land & land fees, 38902 land & land rights, 390 structures & improvements, 391 office furniture & equipment, 392 Transportation equipment, 393 Stores equipment, 394 Tools, Shop, & Garage equipment, 395 Laboratory equipment, 396 Power operated equipment, 39701 Communications equipment, 39702 Communications equipment, 398 Miscellaneous equipment, 4081 Ad Valorem Tax, 431 Other interest expense, 451 Miscellaneous service revenue, 454 Rent from Property, 570 Maintenance of Station Equipment, 591 Maintenance of structures, 592 Maintenance of Station Equipment, 920 A&G salaries, 921 Office Supplies, 923 Outside Services, 924 Property Insurance Expense, 925 Injuries & Damages, 926 Pension & Benefits, 9302 Misc. General Expense, 931 Rents

Please explain the activities the Company undertakes to ensure direct assignment of costs to the transmission and distribution functions to the maximum extent reasonably possible, even for plant costs and expenses that are difficult to assign directly.

ANSWER:

Functionalization begins by ensuring the work orders and cost objects have the proper FERC account assigned to them. In addition, internal controls are in place to ensure and verify that amounts are properly assigned to the FERC accounts and then to transmission and distribution functions.

For capital, the verification process starts with a listing by FERC account to analyze all capital costs placed in service during the test year. Items are reviewed at the work order level to determine if they should be assigned to the distribution or transmission function based on the underlying asset or activity or should be allocated between the functions if the asset or activity supports both functions. For the work that supports both functions such as distribution equipment in a substation, those costs are allocated using a specific percentage transmission and for distribution for the asset that is being reviewed. The percentages are determined based on a review by Company personnel who rely on the makeup of the existing assets to determine which portion of the costs should be assigned to distribution or to transmission. This allocation methodology is consistent with the methodology used in the Company's prior base rate case in Docket No. 38339 and the Company's past DCRF and TCOS filings.

Where applicable O&M expenses have been functionalized directly to one of the factors following the FERC account designation. As stated above, substations typically have transmission and distribution functionality; therefore, specific property factors were used for substation related O&M costs in order to allocate those costs to both distribution and transmission functions. O&M costs that are not directly functionalized or allocated on property factors are allocated based on the underlying driver of the O&M costs. Schedule II-D-1 and II-D-2 provides the functionalization factor in column six for each FERC account. Please see RFP Schedule II-F and supporting workpaper, WP II-F-Plant Functionalization, for additional description and calculations of the factors. Other than items listed in PUC01-08 the allocation methodology used in this filing are the same as approved in the Company's prior base rate case Docket No. 38339.

See attached PUC01-01 Attachment 1.docx for a description by FERC Account.

SPONSOR:

Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:

PUC01-01 Attachment 1.docx

FERC Account 1823 – Reg Asset Hurricane Harvey	<p>This regulatory asset contains deferred costs associated with Hurricane Harvey restoration for Distribution, Transmission, Major Underground, and Substations. Because Major Underground is a distribution function, all of those costs were assigned to distribution. As for the substation costs, the functionalization method is as follows:</p> <p>Individual work orders were created for activities related to Harvey restoration. If the impacted equipment was 100% distribution or 100% transmission class equipment, all costs were functionalized to distribution or transmission respectively. If the impacted equipment supported both transmission and distribution functions, the allocation factors that are used in the Company's rate filings (i.e., rate cases, DCRF, TCOS) are applied to determine the Transmission and Distribution percentages. These percentages are based on the makeup of the existing assets in that specific substation.</p>
30302 Intangible Plant	This account has been assigned to the functions based on review of the cost centers using the assets. See Schedule II-B-1 and WP II-F-Plant Functionalization for support.
352 Structures & Improvements	These accounts have been assigned to the functions supported by those assets. See Schedule II-B-1 and WP II-F-Plant Functionalization for support.
353 Station Equipment	
361 Structures & Improvements	
362 Station Equipment	
38901 Land & Land Fees	These accounts have been specifically assigned to the functions based on the use of specific items such as square footage occupancy or use of equipment. See Schedule II-B-2 and WP II-F-Plant Functionalization for the factor calculations.
38902 Land & Land Rights	
390 Structures & Improvements	
391 Office Furniture & Equipment	
392 Transportation Equipment	
393 Stores Equipment	
394 Tools, Shop and Garage Equipment	
395 Laboratory Equipment	
396 Power Operated Equipment	
398 Miscellaneous Equipment	
39701 Communications Equipment	These accounts have been specifically assigned to the functions based on the use a specific item or employee count. See Schedule II-B-3 and WP II-F-Plant Functionalization for the factor calculations.
39702 Computer Equipment	
4081 Ad Valorem Tax	Please refer to the direct testimony of Company witness, Justin Hyland, Bates pages 1055-1061 for a description of the functionalization of ad valorem taxes and Schedule II-E-2.1. Calculations of these factors

	are shown in the filed workpaper WP II-E-2.1FF WP Property Tax Functionalization Support.
431 Other Interest Expense	This account includes interest on services and customer deposits for requested work. Based on the types of expenses, the account was functionalized using the O&M/A&G factor OMAGXFP(565). See Schedule II-E-4 for the functionalization factor. The calculation of this factor is shown on Schedule II-F based off O&M and A&G totals from Schedule II-D-2.
451 Miscellaneous Service Revenue	Each type of revenue was reviewed to determine the underlying source of the revenue for the appropriate functionalization factor. See WP II-E-5.2 and response to PUC01-35 for support.
454 Rent from Property	
570 Maintenance of Station Equipment	A description of the assignment of costs within these FERC accounts can be found on Schedule II-F and in the CEHE RFP Workpapers.xlsx file on tab "Summary WP II-F 2". Substation related costs use associated property factors to allocate between transmission and distribution functions.
591 Maintenance of Structures	
592 Maintenance of Station Equipment	
920 A&G Salaries	Costs within these FERC accounts are allocated based on the underlying driver of the O&M costs See Schedule II-D-2 and Schedule II-F for a description and calculations of the functionalization factors.
921 Office Supplies	
923 Outsides Services	
924 Property Insurance Expense	
931 Rents	
925 Injuries & Damages	For these accounts, some costs were able to be directly assigned as shown on Schedule L and as shown on WP VI-L.2 for Customer Service (TDCS) and the remaining costs were allocated across the other functions using the personnel-related factor PAYXAG.
926 Pension & Benefits	
9302 Miscellaneous General Expense	

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-02**

QUESTION:

Functionalization

For the following series of questions regarding the functionalization of costs, when prompted in the request please address each of the following FERC accounts/subaccounts separately in the response: 1823 Reg asset Hurricane Harvey, 30302 Intangible plant, 352 Structures & Improvements, 353 Station Equipment, 361 Structures & Improvements, 362 Station Equipment, 38901 land & land fees, 38902 land & land rights, 390 structures & improvements, 391 office furniture & equipment, 392 Transportation equipment, 393 Stores equipment, 394 Tools, Shop, & Garage equipment, 395 Laboratory equipment, 396 Power operated equipment, 39701 Communications equipment, 39702 Communications equipment, 398 Miscellaneous equipment, 4081-Ad Valorem Tax, 431 Other interest expense, 451 Miscellaneous service revenue, 454 Rent from Property, 570 Maintenance of Station Equipment, 591 Maintenance of structures, 592 Maintenance of Station Equipment, 920 A&G salaries, 921 Office Supplies, 923 Outside Services, 924 Property Insurance Expense, 925 Injuries & Damages, 926 Pension & Benefits, 9302 Misc. General Expense, 931 Rents

Please provide a detailed breakout of the costs included in FERC account 930.2, miscellaneous general expense. Why is such a significant share of the Company's A&G expense included in this account? Please provide all the detailed workpapers that support the functionalization of the amounts included in this account among the transmission & distribution functions.

ANSWER:

Please see PUC01-02 Attachment 1. xlsx for a detailed breakout of the costs included in FERC account 930.2, miscellaneous general expense. A significant share of the Company's A&G costs included in FERC 930.2 are services provided by CenterPoint Energy Service Company, as described in the direct testimony of Michelle M. Townsend.

Please refer to CEHE RFP Workpaper WP VI-L.2 for detail that supports calculation of functionalization and the amounts included in the transmission & distribution functions. Amounts directly identified as customer service related were assigned to TDCS. The remaining costs were allocated across the other functions using the personnel-related factor PAYXAG.

SPONSOR (PREPARER):

Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:

PUC01-02 Attachment 1.xlsx

CenterPoint Energy Houston Electric
FERC Account 930.2 Detail by GL Account
Test Year Ended 12/31/2018

Functional area	FERC Description	G/L Account	GL Account Description	Balance*
9302	Misc General Exps	510010	Misc Oper Exp-Assoc	1,220
9302	Misc General Exps	511010	Misc Oper Exp	73
9302	Misc General Exps	515040	Bonus/Inc-Exempt	3,597,014
9302	Misc General Exps	515042	Bonus/Inc-Non-Exempt	83,167
9302	Misc General Exps	515044	Bonus/Inc-Union	(1,370,000)
9302	Misc General Exps	515050	Non-prod-Exempt	556,023
9302	Misc General Exps	515052	Non-prod-Non-Exempt	231,488
9302	Misc General Exps	515080	Other Compensation	87,536
9302	Misc General Exps	517992	Oth Comp-Non-Exempt	7,958
9302	Misc General Exps	517994	OT Non-Exmpt(1.5)	42,668
9302	Misc General Exps	517995	Regular Non-Exempt	1,417,451
9302	Misc General Exps	517996	Other Comp-Exempt	39,410
9302	Misc General Exps	517998	Overtime Exempt	73,025
9302	Misc General Exps	517999	Regular Exempt	3,713,482
9302	Misc General Exps	518011	Pension - Service Co	(1,105,017)
9302	Misc General Exps	518016	Pension NonQualified	138,315
9302	Misc General Exps	518032	PostRetirement - Ser	(144,708)
9302	Misc General Exps	518090	Long-Term Disability	839,010
9302	Misc General Exps	518166	Deferred Comp Plan -	288,750
9302	Misc General Exps	522010	Employee Travel	73,475
9302	Misc General Exps	522020	Training	42,867
9302	Misc General Exps	522030	Registration	13,419
9302	Misc General Exps	522040	Dues & Licenses	6,073
9302	Misc General Exps	522060	Business Meals	41,557
9302	Misc General Exps	522062	Entertainment	13,448
9302	Misc General Exps	522070	Education Exp	539
9302	Misc General Exps	522080	Park/In-town Travel	65,724
9302	Misc General Exps	522090	Awards/Gifts	813,086
9302	Misc General Exps	522110	Occ Hlth & Safety	200,423
9302	Misc General Exps	522120	Books & Subscriptions	6,400
9302	Misc General Exps	522130	Misc Empl Rel Exp	4,945
9302	Misc General Exps	522140	Recruit/Empl Agency	40,309
9302	Misc General Exps	523000	Empl Reimburs/Deduct	641
9302	Misc General Exps	530010	M&S - Non Inv	350,344
9302	Misc General Exps	530020	M&S-Stores,Tools	751
9302	Misc General Exps	530030	M&S-Ofc Furn & Equip	7,047
9302	Misc General Exps	530050	M&S-Salvage	(2,436)
9302	Misc General Exps	530987	M&S-Inventory Return	(87,789)
9302	Misc General Exps	530991	M&S - Inv Write-Dns	64,317
9302	Misc General Exps	530998	M&S-Scrapping/Dest	2,229,202
9302	Misc General Exps	530999	M&S-Inventory Issued	300,601
9302	Misc General Exps	531020	Motor-Veh & Plt	96
9302	Misc General Exps	531030	Purch Veh Fuel Exp	9,833

CenterPoint Energy Houston Electric
FERC Account 930.2 Detail by GL Account
Test Year Ended 12/31/2018

Functional area	FERC Description	G/L Account	GL Account Description	Balance*
9302	Misc General Exps	532020	M&S-Equipment	2,520
9302	Misc General Exps	532040	M&S-Misc	78,765
9302	Misc General Exps	533010	Purch-Comp Hdware	166,804
9302	Misc General Exps	533020	Pur-Comp Sftw & Upgd	53,145
9302	Misc General Exps	534010	Purch-Comm Eq	14,447
9302	Misc General Exps	535010	Office Supplies	22,966
9302	Misc General Exps	535016	One Pay Card	46,176
9302	Misc General Exps	540020	Eng & Tech Services	224,831
9302	Misc General Exps	540050	Construction Svcs	4,666,801
9302	Misc General Exps	540060	Tree Clearing Svcs	48,792
9302	Misc General Exps	540080	Billable Cntrctd Lbr	1,648,631
9302	Misc General Exps	543010	Prof Serv-Ded	(2,092,129)
9302	Misc General Exps	543040	Admin Services	10,250
9302	Misc General Exps	543050	Technical Services	497,583
9302	Misc General Exps	543080	Media	1,884
9302	Misc General Exps	543090	Wireless Services	908,232
9302	Misc General Exps	543150	Legal Services	(5,717)
9302	Misc General Exps	543160	Reimbursable Costs	(50,414)
9302	Misc General Exps	545010	Property Services	119,932
9302	Misc General Exps	545040	Cont/Sv Add/Alt/Rem	139,282
9302	Misc General Exps	545045	Cont/Sv -Bldg Mnt	23,312
9302	Misc General Exps	545100	Cont/Sv Sec Owned	27,247
9302	Misc General Exps	545120	Temp Manpower Svc	202,089
9302	Misc General Exps	545150	Printing Svcs	2,965
9302	Misc General Exps	545160	Software Maintenance	454,454
9302	Misc General Exps	545170	Hardware Maintenance	900,478
9302	Misc General Exps	545510	IT Services	182,186
9302	Misc General Exps	545520	Long Distance/Fax	33,111
9302	Misc General Exps	546010	Other Services	131,256
9302	Misc General Exps	550020	Misc Adm Expenses	(2,018,390)
9302	Misc General Exps	550025	Meeting Exp	16,724
9302	Misc General Exps	550040	Postage/Courier	728
9302	Misc General Exps	550041	Courier Expense	16,849
9302	Misc General Exps	550050	Bank Charges & Fees	25,040
9302	Misc General Exps	550060	Filing Fees	1,800
9302	Misc General Exps	550080	Club Member & Exp	67,900
9302	Misc General Exps	550086	Member Dues in Orgn	395
9302	Misc General Exps	550087	Dues-Industry	1,008,352
9302	Misc General Exps	550100	Freight	588
9302	Misc General Exps	559990	ASC 715 Svc Company	3,030,013
9302	Misc General Exps	559994	Cont in Aid of Const	(3,735)
9302	Misc General Exps	562170	Uniforms	10,036
9302	Misc General Exps	565010	Repairs & Maintenanc	929

CenterPoint Energy Houston Electric
FERC Account 930.2 Detail by GL Account
Test Year Ended 12/31/2018

Functional area	FERC Description	G/L Account	GL Account Description	Balance*
9302	Misc General Exps	565040	Rep & Maint-Vehicles	80
9302	Misc General Exps	566030	Sponsorships/Contrib	1,012,731
9302	Misc General Exps	566040	Contrib-R & D	327,672
9302	Misc General Exps	571010	Utilities-Electricit	69,330
9302	Misc General Exps	571020	Util-Land-Phones Cir	2,415,899
9302	Misc General Exps	571050	Utilities-Other	99
9302	Misc General Exps	583005	Construction OH	560
9302	Misc General Exps	621016	Fleet Maint	75,564
9302	Misc General Exps	621017	Fleet Adj, Damg, Mod	3,929
9302	Misc General Exps	621023	Shops	76
9302	Misc General Exps	641002	Stores Overhead	65,292
9302	Misc General Exps	641003	Transportation OH	218,150
9302	Misc General Exps	642070	Telecom Delivery Ser	-
9302	Misc General Exps	642071	Fleet Allocation	15,864
9302	Misc General Exps	642074	Construction OH	(1,957,430)
9302	Misc General Exps	642080	Cap Labor Alloc	(738,265)
9302	Misc General Exps	642094	Internal Allocation	19,058
9302	Misc General Exps	642095	REDG Allocation	(773,617)
9302	Misc General Exps	642125	Land & Field Svcs	456,316
9302	Misc General Exps	642142	Fleet GPS	8,307
9302	Misc General Exps	642223	Comm Circuit Mgmt	(551,339)
9302	Misc General Exps	643001	Un labor-ST-IntAlloc	1,020,531
9302	Misc General Exps	643002	Un Labor 1 1/2-IntAl	189,542
9302	Misc General Exps	643003	Un Labor-DBL-Int Act	85,597
9302	Misc General Exps	643101	Labor-ST-NExmpt	(101,303)
9302	Misc General Exps	643102	Labor 1 1/2-NExmpt	(11,376)
9302	Misc General Exps	643201	Labor-ST-Exempt	22,798
9302	Misc General Exps	643202	Labor 1 1/2-Exempt	(75,114)
9302	Misc General Exps	643501	Fleet Fuel	36,287
9302	Misc General Exps	643523	Transportation Exp	141
9302	Misc General Exps	643528	Land/Field Serv Bill	(91,892)
9302	Misc General Exps	646101	Governance-Legal	7,656,701
9302	Misc General Exps	646102	Governance-Fin	18,714,059
9302	Misc General Exps	646103	Governance-HR	10,699,964
9302	Misc General Exps	646104	Governance-Comm	258,617
9302	Misc General Exps	646106	Governance-ExMgt	2,834,799
9302	Misc General Exps	646107	Gov-Regulated Oper	1,573,214
9302	Misc General Exps	646109	Gov-Leg Misc Bus Exp	38,052
9302	Misc General Exps	646110	Gov-Fin Misc Bus Exp	51,743
9302	Misc General Exps	646111	Gov-HR Misc Bus Exp	19,055
9302	Misc General Exps	646113	Gov-ExMgt Misc Bus E	10,016
9302	Misc General Exps	646114	Gov-Comm Mis Bus Exp	32
9302	Misc General Exps	646116	Gov-Reg Oper Mis Bus	11,965

CenterPoint Energy Houston Electric
FERC Account 930.2 Detail by GL Account
Test Year Ended 12/31/2018

Functional area	FERC Description	G/L Account	GL Account Description	Balance*
9302	Misc General Exps	646133	BSS Gov Misc. Bus Ex	25,866
9302	Misc General Exps	646136	BSS Governance	658,811
9302	Misc General Exps	646141	Reg Ops-VP Mktg	1,116,887
9302	Misc General Exps	646160	Gov-HR ASC 715 Non S	3,730,055
9302	Misc General Exps	646201	Legal Direct	2,253,282
9302	Misc General Exps	646204	Finance Direct	1,639,598
9302	Misc General Exps	646205	Comm Direct	116,664
9302	Misc General Exps	646206	Reg Ops Direct	30,252
9302	Misc General Exps	646207	Direct - HR	71,202
9302	Misc General Exps	646210	Govt A Direct	253,596
9302	Misc General Exps	646211	Dir Leg Misc Bus Exp	15,597
9302	Misc General Exps	646212	Dir Fin Misc Bus Exp	28
9302	Misc General Exps	646214	Dir Reg Misc Bus Exp	1,761
9302	Misc General Exps	646215	Dir Com Misc Bus Exp	61,698
9302	Misc General Exps	646232	Direct - Regulatory	1,020,671
9302	Misc General Exps	646242	Comm Rel Direct	214,188
9302	Misc General Exps	646301	Support Svcs- Legal	1,184,137
9302	Misc General Exps	646302	Support Svcs- Fin	1,734,179
9302	Misc General Exps	646303	Support Svcs- HR	5,585,507
9302	Misc General Exps	646304	Support Svcs- Comm	3,172,009
9302	Misc General Exps	646308	Sup Leg Misc Bus Exp	5,681
9302	Misc General Exps	646310	Sup- HR Misc Bus Exp	44,719
9302	Misc General Exps	646312	Sup-Com Misc Bus Exp	714,066
9302	Misc General Exps	646325	Other-IT Svc	27,442,056
9302	Misc General Exps	646329	IT -Misc Bus Expense	4,207
9302	Misc General Exps	646335	Direct Legal Labor	2,390,316
9302	Misc General Exps	646336	Direct Regulatory La	3,993,974
9302	Misc General Exps	646340	Direct Finance Labor	3,319,454
9302	Misc General Exps	646341	Xchrgs to IT	2,343,244
9302	Misc General Exps	646342	Xchrgs to HR	722,956
9302	Misc General Exps	646343	Xchrgs to Finance	4,146,748
9302	Misc General Exps	646344	Xchrgs to Regulatory	858,728
9302	Misc General Exps	646346	Xchrgs to Reg Ops co	2,718,693
9302	Misc General Exps	646347	Xchrgs to Communicat	531,949
9302	Misc General Exps	646348	Xchrgs to Legal	702,873
9302	Misc General Exps	646349	Xchrgs to Exec Mgmt	67,411
9302	Misc General Exps	646350	Xchrgs to Bus Spt Sv	1,130,877
9302	Misc General Exps	646352	General Shared Svcs	1,999,307
9302	Misc General Exps	646358	Sh Svcs-Misc Bus Exp	2,123
9302	Misc General Exps	646361	Reg Ops Rent	1,005,317
9302	Misc General Exps	646386	COA1/646386	656,349
9302	Misc General Exps	702050	Depr-Transportation	108,976
9302	Misc General Exps	718033	PostRet Split\$ Life	53,167

CenterPoint Energy Houston Electric
FERC Account 930.2 Detail by GL Account
Test Year Ended 12/31/2018

Functional area	FERC Description	G/L Account	GL Account Description	Balance*
9302	Misc General Exps	718166	Deferred Comp Plan	320,837
			Grand Total	145,090,563

*Note: Amounts shown represent Total Company amounts prior to any Known & Measurable changes.
Known and Measureable changes for this account are shown on Schedule II-D-2.

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-03**

QUESTION:

Functionalization

For the following series of questions regarding the functionalization of costs, when prompted in the request please address each of the following FERC accounts/subaccounts separately in the response: 1823 Reg asset Hurricane Harvey, 30302 Intangible plant, 352 Structures & Improvements, 353 Station Equipment, 361 Structures & Improvements, 362 Station Equipment, 38901 land & land fees, 38902 land & land rights, 390 structures & improvements, 391 office furniture & equipment, 392 Transportation equipment, 393 Stores equipment, 394 Tools, Shop, & Garage equipment, 395 Laboratory equipment, 396 Power operated equipment, 39701 Communications equipment, 39702 Communications equipment, 398 Miscellaneous equipment, 4081 Ad Valorem Tax, 431 Other interest expense, 451 Miscellaneous service revenue, 454 Rent from Property, 570 Maintenance of Station Equipment, 591 Maintenance of structures, 592 Maintenance of Station Equipment, 920 A&G salaries, 921 Office Supplies, 923 Outside Services, 924 Property Insurance Expense, 925 Injuries & Damages, 926 Pension & Benefits, 9302 Misc. General Expense, 931 Rents

For each of the FERC accounts/subaccounts listed above, please explain how the Company functionalizes the costs included in that account/subaccount among the transmission & distribution functions.

ANSWER:

Please see the response to PUC01-01 on how the Company functionalizes the costs among the transmission and distribution functions.

SPONSOR (PREPARER):

Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-04**

QUESTION:

Functionalization

For the following series of questions regarding the functionalization of costs, when prompted in the request please address each of the following FERC accounts/subaccounts separately in the response: 1823 Reg asset Hurricane Harvey, 30302 Intangible plant, 352 Structures & Improvements, 353 Station Equipment, 361 Structures & Improvements, 362 Station Equipment, 38901 land & land fees, 38902 land & land rights, 390 structures & improvements, 391 office furniture & equipment, 392 Transportation equipment, 393 Stores equipment, 394 Tools, Shop, & Garage equipment, 395 Laboratory equipment, 396 Power operated equipment, 39701 Communications equipment, 39702 Communications equipment, 398 Miscellaneous equipment, 4081 Ad Valorem Tax, 431 Other interest expense, 451 Miscellaneous service revenue, 454 Rent from Property, 570 Maintenance of Station Equipment, 591 Maintenance of structures, 592 Maintenance of Station Equipment, 920 A&G salaries, 921 Office Supplies, 923 Outside Services, 924 Property Insurance Expense, 925 Injuries & Damages, 926 Pension & Benefits, 9302 Misc. General Expense, 931 Rents

For each of the FERC accounts/subaccounts listed above, please identify the amounts in that account that were directly assigned to the functions (if any), and identify the amounts that were allocated among the functions (if any).

ANSWER:

See the attached PUC01-04 Attachment 1.xlsx for the amounts that were directly assigned and amounts there were allocated among the functions. Descriptions of the Functionalization Factors are contained in Schedule II-F and RFI response PUC01-01.

SPONSOR (PREPARER):

Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:

PUC01-04 Attachment 1.xlsx

Dollars in Thousands

Amounts shown are Company Total Electric

FERC Account	Reference Schedule for Functionalization Factor and Amounts	Directly Assigned Amount	Allocated Amount
1823 Reg Asset Hurricane Harvey	II-B-12, WP II-B-12b Hurricane Harvey	64,406	
30302 Intangible Plant	II-B-1, WP II-F-Plant Functionalization		255,711
352 Structures & Improvements	II-B-1, WP II-F-Plant Functionalization		202,222
353 Station Equipment	II-B-1, WP II-F-Plant Functionalization		993,651
361 Structures & Improvements	II-B-1, WP II-F-Plant Functionalization		105,322
362 Station Equipment	II-B-1, WP II-F-Plant Functionalization		1,210,967
38901 Land & Land Fees	II-B-2, WP II-F-Plant Functionalization		27,581
38902 Land & Land Rights	II-B-2, WP II-F-Plant Functionalization		154
390 Structures and Improvements	II-B-2, WP II-F-Plant Functionalization		242,413
391 Office Furniture & Equipment	II-B-2, WP II-F-Plant Functionalization		11,135
392 Transportation Equipment	II-B-2, WP II-F-Plant Functionalization		136,241
393 Stores Equipment	II-B-2, WP II-F-Plant Functionalization		210
394 Tools, Shop and Garage Equipment	II-B-2, WP II-F-Plant Functionalization		15,375
395 Laboratory Equipment	II-B-2, WP II-F-Plant Functionalization		21,204
396 Power Operated Equipment	II-B-2, WP II-F-Plant Functionalization		23,947
39701 Communications Equipment	II-B-3, WP II-F-Plant Functionalization		339,003
39702 Computer Equipment	II-B-3, WP II-F-Plant Functionalization		146,944
398 Miscellaneous Equipment	II-B-2, WP II-F-Plant Functionalization		10,865
4081 Ad Valorem Tax	II-E-2.1, WP II-E-2.1FF WP Property Tax Functionalization Support	88,384	
431 Other Interest Expense	II-E-4, WP II-F Func Factors		447
451 Miscellaneous Service Revenue	II-E-5, WP II-E-5.2	33,802	
454 Rent from Property	II-E-5, WP II-E-5.2	31,985	
570 Maintenance of Station Equipment	II-D-1, WP II-F-Plant Functionalization		10,834
591 Maintenance of Structures	II-D-1, WP II-F-Plant Functionalization		847
592 Maintenance of Station Equipment	II-D-1, WP II-F-Plant Functionalization		12,964
920 A&G Salaries	II-D-2, WP II-F Func Factors		2,429
921 Office Supplies	II-D-2, WP II-F Func Factors		1,808
923 Outside Services	II-D-2, WP II-F Func Factors		1,064
924 Property Insurance Expense	II-D-2, WP II-F Func Factors		10,850
925 Injuries & Damages	II-D-2, WP VI-L.2, WP II-F Func Factors	2,098	18,429
926 Pension & Benefits	II-D-2, WP VI-L.2, WP II-F Func Factors	329	46,479
9302 Miscellaneous General Expense	II-D-2, WP VI-L.2, WP II-F Func Factors	5,162	141,049
931 Rents	II-D-2, WP II-F Func Factors		11,127

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-05**

QUESTION:

Functionalization

For the following series of questions regarding the functionalization of costs, when prompted in the request please address each of the following FERC accounts/subaccounts separately in the response: 1823 Reg asset Hurricane Harvey, 30302 Intangible plant, 352 Structures & Improvements, 353 Station Equipment, 361 Structures & Improvements, 362 Station Equipment, 38901 land & land fees, 38902 land & land rights, 390 structures & improvements, 391 office furniture & equipment, 392 Transportation equipment, 393 Stores equipment, 394 Tools, Shop, & Garage equipment, 395 Laboratory equipment, 396 Power operated equipment, 39701 Communications equipment, 39702 Communications equipment, 398 Miscellaneous equipment, 4081 Ad Valorem Tax, 431 Other interest expense, 451 Miscellaneous service revenue, 454 Rent from Property, 570 Maintenance of Station Equipment, 591 Maintenance of structures, 592 Maintenance of Station Equipment, 920 A&G salaries, 921 Office Supplies, 923 Outside Services, 924 Property Insurance Expense, 925 Injuries & Damages, 926 Pension & Benefits, 9302 Misc. General Expense, 931 Rents

Please explain how the Company assigns load dispatching expenses to the following load dispatching related FERC accounts (which determines the function to which the expense will be assigned): 5610, 5611, 5612, 5613, 5614, and 5810. How does the Company distinguish the transmission versus distribution load dispatching expenses? For each subaccount where the costs in that load dispatching related subaccount are functionalized between transmission and distribution, please explain the methodology to assign or allocate the costs among the functions.

ANSWER:

The load dispatching costs are assigned to the proper cost center for their function as work is completed by the Distribution and Transmission departments. The distribution costs are assigned to FERC 5810 – Load Dispatching (major only) and transmission costs are assigned to FERC accounts 5610, 5611 – Load Dispatch Reliability, 5612 – Monitor and Operate Transmission System, 5613 – Transmission Service and Scheduling and 5614 - Scheduling, System Control and Dispatching Services.

SPONSOR (PREPARER):
Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:
None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET NO. 49421-SOAH DOCKET NO. 473-19-3864
PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-06**

QUESTION:

Functionalization

For the following series of questions regarding the functionalization of costs, when prompted in the request please address each of the following FERC accounts/subaccounts separately in the response: 1823 Reg asset Hurricane Harvey, 30302 Intangible plant, 352 Structures & Improvements, 353 Station Equipment, 361 Structures & Improvements, 362 Station Equipment, 38901 land & land fees, 38902 land & land rights, 390 structures & improvements, 391 office furniture & equipment, 392 Transportation equipment, 393 Stores equipment, 394 Tools, Shop, & Garage equipment, 395 Laboratory equipment, 396 Power operated equipment, 39701 Communications equipment, 39702 Communications equipment, 398 Miscellaneous equipment, 4081 Ad Valorem Tax, 431 Other interest expense, 451 Miscellaneous service revenue, 454 Rent from Property, 570 Maintenance of Station Equipment, 591 Maintenance of structures, 592 Maintenance of Station Equipment, 920 A&G salaries, 921 Office Supplies, 923 Outside Services, 924 Property Insurance Expense, 925 Injuries & Damages, 926 Pension & Benefits, 9302 Misc. General Expense, 931 Rents

For each FERC account/subaccount listed above, please explain the methodology the Company followed (if any) to directly track the costs for each function to facilitate the direct assignment of costs associated with that FERC account to the transmission and distribution functions.

ANSWER:

Please see the response to PUC01-01 for the methodology used to directly track the costs for each function to facilitate the direct assignment of costs associated with that FERC account to the transmission and distribution functions.

SPONSOR (PREPARER):
Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:
None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-07**

QUESTION:

Functionalization

For the following series of questions regarding the functionalization of costs, when prompted in the request please address each of the following FERC accounts/subaccounts separately in the response: 1823 Reg asset Hurricane Harvey, 30302 Intangible plant, 352 Structures & Improvements, 353 Station Equipment, 361 Structures & Improvements, 362 Station Equipment, 38901 land & land fees, 38902 land & land rights, 390 structures & improvements, 391 office furniture & equipment, 392 Transportation equipment, 393 Stores equipment, 394 Tools, Shop, & Garage equipment, 395 Laboratory equipment, 396 Power operated equipment, 39701 Communications equipment, 39702 Communications equipment, 398 Miscellaneous equipment, 4081 Ad Valorem Tax, 431 Other interest expense, 451 Miscellaneous service revenue, 454 Rent from Property, 570 Maintenance of Station Equipment, 591 Maintenance of structures, 592 Maintenance of Station Equipment, 920 A&G salaries, 921 Office Supplies, 923 Outside Services, 924 Property Insurance Expense, 925 Injuries & Damages, 926 Pension & Benefits, 9302 Misc. General Expense, 931 Rents

For each FERC account/subaccount listed above, please provide a narrative justification for the selection of the functionalization basis that was employed by the Company.

ANSWER:

Please see the response to PUC01-01 for a narrative justification for the selection of the functionalization basis that was employed by the Company.

SPONSOR (PREPARER):
Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:
None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-08**

QUESTION:

Functionalization

For the following series of questions regarding the functionalization of costs, when prompted in the request please address each of the following FERC accounts/subaccounts separately in the response: 1823 Reg asset Hurricane Harvey, 30302 Intangible plant, 352 Structures & Improvements, 353 Station Equipment, 361 Structures & Improvements, 362 Station Equipment, 38901 land & land fees, 38902 land & land rights, 390 structures & improvements, 391 office furniture & equipment, 392 Transportation equipment, 393 Stores equipment, 394 Tools, Shop, & Garage equipment, 395 Laboratory equipment, 396 Power operated equipment, 39701 Communications equipment, 39702 Communications equipment, 398 Miscellaneous equipment, 4081 Ad Valorem Tax, 431 Other interest expense, 451 Miscellaneous service revenue, 454 Rent from Property, 570 Maintenance of Station Equipment, 591 Maintenance of structures, 592 Maintenance of Station Equipment, 920 A&G salaries, 921 Office Supplies, 923 Outside Services, 924 Property Insurance Expense, 925 Injuries & Damages, 926 Pension & Benefits, 9302 Misc. General Expense, 931 Rents

For each FERC account/subaccount listed above, please identify any changes to the functionalization methodology that was proposed by Company witness Fitzgerald in DN38339, and reflected in the Commission adopted cost study in DN3 8339.

ANSWER:

For each of the FERC accounts listed below, the Company is either proposing changes in Docket No. 49421 to the functionalization method proposed by Company witness Fitzgerald in Docket No. 38339 and reflected in the Commission adopted cost study in Docket No. 38339 or the FERC account contains costs that were not present in Docket No. 38339.

FERC 182.3 - Reg Asset Hurricane Harvey. This regulatory asset was created after the filing of Docket No. 38339 due to Hurricane Harvey which occurred in August 2017. Please refer to the response in PUC01-01 regarding the functionalization methodology.

FERC 431 Other Interest Expense. This account includes interest on services and customer deposits for requested work. Therefore the Company is proposing to use the O&M factor OMAGXFP(565). There were no dollars associated with this FERC account in Docket No. 38339.

FERC Accounts 925, 926 and 9302: In Docket No. 38339, the functionalization method that was approved was PAYXAG. In this case, the Company is proposing to use 'DA' (Direct Allocation) due to the implementation of Schedule L. Some costs were able to be identified on Schedule L for the Customer Service (TDCS) function and the remaining costs were allocated across the other functions using the approved personnel-related factor of PAYXAG.

The Company is not proposing changes to the functionalization method for any of the other FERC Accounts listed by Staff.

SPONSOR (PREPARER):
Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:
None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-09**

QUESTION:

Functionalization

For the following series of questions regarding the functionalization of costs, when prompted in the request please address each of the following FERC accounts/subaccounts separately in the response: 1823 Reg asset Hurricane Harvey, 30302 Intangible plant, 352 Structures & Improvements, 353 Station Equipment, 361 Structures & Improvements, 362 Station Equipment, 38901 land & land fees, 38902 land & land rights, 390 structures & improvements, 391 office furniture & equipment, 392 Transportation equipment, 393 Stores equipment, 394 Tools, Shop, & Garage equipment, 395 Laboratory equipment, 396 Power operated equipment, 39701 Communications equipment, 39702 Communications equipment, 398 Miscellaneous equipment, 4081 Ad Valorem Tax, 431 Other interest expense, 451 Miscellaneous service revenue, 454 Rent from Property, 570 Maintenance of Station Equipment, 591 Maintenance of structures, 592 Maintenance of Station Equipment, 920 A&G salaries, 921 Office Supplies, 923 Outside Services, 924 Property Insurance Expense, 925 Injuries & Damages, 926 Pension & Benefits, 9302 Misc. General Expense, 931 Rents

For each FERC account/subaccount listed above, please provide all the workpapers that support the direct assignment and/or allocation of the costs among the functions.

ANSWER:

For the FERC accounts that were directly assigned, see the workpapers referenced below for support of the direct assignment. Unless noted below, for each FERC account that was allocated among the functions, refer to the workpaper support 'WP II-F-Plant Functionalization' which was provided in the CEHE rate filing package. See Schedule II-F for additional description and calculations of the remaining factors.

FERC Account	Reference Schedule/WP for Support
1823 Reg Asset Hurricane Harvey	WP II-B-12b Hurricane Harvey
4081 Ad Valorem Tax	WP II-E-2.1FF Property Tax Functionalization Support/WP II-E-2.1 FF
451 Miscellaneous Service Revenue	WP II-E-5.2
454 Rent from Property	WP II-E-5.2
925 Injuries & Damages	WP VI-L.2
926 Pension & Benefits	WP VI-L.2
9302 Miscellaneous General Expense	WP VI-L.2

SPONSOR:

Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-10**

QUESTION:

Functionalization

For the following series of questions regarding the functionalization of costs, when prompted in the request please address each of the following FERC accounts/subaccounts separately in the response: 1823 Reg asset Hurricane Harvey, 30302 Intangible plant, 352 Structures & Improvements, 353 Station Equipment, 361 Structures & Improvements, 362 Station Equipment, 38901 land & land fees, 38902 land & land rights, 390 structures & improvements, 391 office furniture & equipment, 392 Transportation equipment, 393 Stores equipment, 394 Tools, Shop, & Garage equipment, 395 Laboratory equipment, 396 Power operated equipment, 39701 Communications equipment, 39702 Communications equipment, 398 Miscellaneous equipment, 4081 Ad Valorem Tax, 431 Other interest expense, 451 Miscellaneous service revenue, 454 Rent from Property, 570 Maintenance of Station Equipment, 591 Maintenance of structures, 592 Maintenance of Station Equipment, 920 A&G salaries, 921 Office Supplies, 923 Outside Services, 924 Property Insurance Expense, 925 Injuries & Damages, 926 Pension & Benefits, 9302 Misc. General Expense, 931 Rents

Please provide the number of circuit miles of transmission line that require right of way that is secured in part via franchise fee payments to municipalities. Please provide the TY dollar amount of franchise fees paid for transmission right of way.

ANSWER:

CenterPoint Houston can provide the number of circuit miles of transmission line that are on the system, both overhead and underground; but we do not report on, nor have the capability to determine the number of miles that are in the road right of way of the various municipalities. The test year amount for franchise fees can be found in Schedule II-E-2. The entire amount is functionalized to distribution.

SPONSOR (PREPARER):

Kristie Colvin / Shane Kimzey / Martin Narendorf (Kristie Colvin / Shane Kimzey / Martin Narendorf)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-11**

QUESTION:

Functionalization

For the following series of questions regarding the functionalization of costs, when prompted in the request please address each of the following FERC accounts/subaccounts separately in the response: 1823 Reg asset Hurricane Harvey, 30302 Intangible plant, 352 Structures & Improvements, 353 Station Equipment, 361 Structures & Improvements, 362 Station Equipment, 38901 land & land fees, 38902 land & land rights, 390 structures & improvements, 391 office furniture & equipment, 392 Transportation equipment, 393 Stores equipment, 394 Tools, Shop, & Garage equipment, 395 Laboratory equipment, 396 Power operated equipment, 39701 Communications equipment, 39702 Communications equipment, 398 Miscellaneous equipment, 4081 Ad Valorem Tax, 431 Other interest expense, 451 Miscellaneous service revenue, 454 Rent from Property, 570 Maintenance of Station Equipment, 591 Maintenance of structures, 592 Maintenance of Station Equipment, 920 A&G salaries, 921 Office Supplies, 923 Outside Services, 924 Property Insurance Expense, 925 Injuries & Damages, 926 Pension & Benefits, 9302 Misc. General Expense, 931 Rents

Please provide the number of circuit miles of distribution line that requires right of way that is secured in part via franchise fee payments to municipalities. Please provide the TY dollar amount of franchise fees paid for distribution right of way.

ANSWER:

CenterPoint Houston can provide the number of circuit miles of distribution line that are on the system, both overhead and underground; but we do not report on, nor have the capability to determine the number of miles that are in the road right of way of the various municipalities. The test year amount for franchise fees can be found in Schedule II-E-2. The entire amount is functionalized to distribution.

SPONSOR (PREPARER):

Kristie Colvin / Shane Kimzey / Randal Pryor (Kristie Colvin / Shane Kimzey / Randal Pryor)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-12**

QUESTION:

Functionalization

For the following series of questions regarding the functionalization of costs, when prompted in the request please address each of the following FERC accounts/subaccounts separately in the response: 1823 Reg asset Hurricane Harvey, 30302 Intangible plant, 352 Structures & Improvements, 353 Station Equipment, 361 Structures & Improvements, 362 Station Equipment, 38901 land & land fees, 38902 land & land rights, 390 structures & improvements, 391 office furniture & equipment, 392 Transportation equipment, 393 Stores equipment, 394 Tools, Shop, & Garage equipment, 395 Laboratory equipment, 396 Power operated equipment, 39701 Communications equipment, 39702 Communications equipment, 398 Miscellaneous equipment, 4081 Ad Valorem Tax, 431 Other interest expense, 451 Miscellaneous service revenue, 454 Rent from Property, 570 Maintenance of Station Equipment, 591 Maintenance of structures, 592 Maintenance of Station Equipment, 920 A&G salaries, 921 Office Supplies, 923 Outside Services, 924 Property Insurance Expense, 925 Injuries & Damages, 926 Pension & Benefits, 9302 Misc. General Expense, 931 Rents

Please explain what distinguishes the costs booked to the two different communications equipment subaccounts in the Company's cost study, and how the Company decides which subaccount should include the costs of specific types of communication equipment.

ANSWER:

The communication equipment subaccounts of 397.01 and 397.02 are used for two distinct asset classes. Subaccount 397.01 includes telecom equipment, such as cell relays, antennas, and radios. Subaccount 397.02 includes computer hardware, such as laptops, printers, and monitors.

SPONSOR (PREPARER):

Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-13**

QUESTION:

Class allocation of distribution system costs

Please provide the Company's total number of substations where power emanates from the substation at distribution voltage. For each substation, please provide the date and time of the peak demand on that substation.

ANSWER:

The Company has 228 substations where power emanates from the substation at distribution voltage. See attached chart that provides the date and time of the peak demand on each substation.

SPONSOR (PREPARER):

Dale Bodden (Dale Bodden)

RESPONSIVE DOCUMENTS:

PUC01-13 Attachment 1.xlsx

PUC 01-13 Attachment 1

2018 Non-Coincident Peak Date & Time for Distribution Subs		
SUBSTATION NAME	PEAK DATE	PEAK TIME
ALDINE	8/22/2018	16:01
ADDICKS	8/22/2018	15:16
ANGLETON	8/22/2018	16:16
ALIEF	8/22/2018	16:46
ALEXANDER_ISLAND	8/22/2018	13:01
ALTA_LOMA	8/22/2018	16:46
ALMEDA	8/22/2018	15:46
AIRLINE	8/22/2018	16:46
ARCOLA 35KV	8/22/2018	17:16
ATASCOCITA_35KV	8/22/2018	17:16
ALVIN	8/22/2018	16:46
BAMMEL_12KV	8/22/2018	16:31
BAMMEL_35KV	8/22/2018	16:31
BARKER	8/22/2018	17:01
BIG CREEK	8/22/2018	17:16
BERTWOOD	8/22/2018	17:46
BLODGETT	8/22/2018	16:46
BRINGHURST	8/22/2018	17:16
BELLAIRE 12KV	8/22/2018	17:01
BELLAIRE 35KV	8/22/2018	17:01
BLUERIDGE	8/22/2018	16:31
BRITMOORE	8/22/2018	16:46
BRAYS	8/22/2018	16:16
BAYTOWN	8/22/2018	16:46
BUSCH	8/22/2018	13:46
BRAZOS VALLEY 35KV	8/22/2018	17:01
BAYWAY	8/22/2018	15:46
BERRY	8/22/2018	16:46
BRAZOSPORT	8/22/2018	16:16
CARDIFF	8/22/2018	16:31
CAMPBELL	8/22/2018	15:31
CHOCOLATE_BAYOU	8/22/2018	16:16
CEDAR_BAYOU	8/22/2018	16:01
CLODINE	8/22/2018	17:01
COLLEGE	8/22/2018	15:31
CLEAR_LAKE	8/22/2018	17:16
CLINTON	8/22/2018	13:46
CROCKETT	8/22/2018	15:31
CRABB RIVER	8/22/2018	17:31
CROSBY	8/22/2018	17:01
CHANNELVIEW	8/22/2018	16:31
CY-FAIR	8/22/2018	16:16
DAMON	8/22/2018	17:46
DEERPARK	8/22/2018	16:01
DEIHL	8/22/2018	16:16
DEWALT 35KV	8/22/2018	16:46
DUNLAVY 12KV	8/22/2018	17:01
DROUET	8/22/2018	16:31
DOWNTOWN	8/22/2018	13:31
DUNVALE	8/22/2018	16:16
EAST BERNARD	8/22/2018	16:16
ECHO	8/22/2018	16:31
EL DORADO	8/22/2018	16:31
ELLINGTON	8/22/2018	16:31

EASTSIDE_12kV	8/22/2018	14:46
EUREKA	8/22/2018	16:16
FANNIN	8/22/2018	18:16
FONDREN	8/22/2018	17:46
FLEWELLEN 35KV	8/22/2018	17:46
FREEMAN 12KV	8/22/2018	15:31
FREEPORT	8/22/2018	15:16
FAIRBANKS	8/22/2018	16:16
FRANKLIN 35kV	8/22/2018	9:46
FRY (NEW)	8/22/2018	17:46
FAIRMONT	8/22/2018	15:31
FRIENDSWOOD	8/22/2018	16:31
FRANZ	8/22/2018	17:01
WEST GALVESTON	8/22/2018	14:46
GERTIE	8/22/2018	16:46
GULFGATE	8/22/2018	15:46
GALVESTON_12KV	8/22/2018	15:31
GRANT 12KV	8/22/2018	15:16
GRANT 35KV	8/22/2018	15:16
GALENA_PARK	8/22/2018	16:01
GREENS_ROAD	8/22/2018	11:16
GABLE STREET 12KV	8/22/2018	15:31
GARROTT	8/22/2018	14:46
GARDEN_VILLAS	8/22/2018	16:01
GLENWOOD	8/22/2018	16:01
GEARS	8/22/2018	16:31
HALL	8/22/2018	16:31
HUMBLE_12KV	8/22/2018	16:31
HUMBLE_35KV	8/22/2018	16:31
HEIGHTS	8/22/2018	17:46
HARRISBURG	8/22/2018	15:46
HOCKLEY_35KV	8/22/2018	17:31
HIGHLANDS	8/22/2018	17:31
HOLMES_12kV	8/22/2018	16:31
HANEY	8/22/2018	16:16
H O CLARKE	8/22/2018	16:16
HYDE PARK	8/22/2018	18:01
HARDY	8/22/2018	16:46
HILLCROFT	8/22/2018	16:31
HIDDEN_VALLEY_12KV	8/22/2018	16:31
HITCHCOCK	8/22/2018	14:31
HAYES	8/22/2018	17:31
IMPERIAL 35KV	8/22/2018	17:31
INDUSTRIAL	8/22/2018	14:16
INTERMEDIATE	8/22/2018	16:31
INTERCONTINENTAL 12	8/22/2018	9:16
INTERCONTINENTAL 35	8/22/2018	9:16
JENNETTA	8/22/2018	16:31
JORDAN	8/22/2018	18:16
JACINTOPORT	8/22/2018	14:16
KIRBY	8/22/2018	16:31
KUYKENDAHL	8/22/2018	16:31
KING	8/22/2018	17:31
KLEIN	8/22/2018	17:31
KLUGE_35KV	8/22/2018	17:31
KEMAH	8/22/2018	16:31
KNIGHT	8/22/2018	16:31
KATY 35KV	8/22/2018	15:46

KINGWOOD	8/22/2018	16:46
LAUDER	8/22/2018	15:31
LIBERTY	8/22/2018	14:46
SOUTH LANE CITY	8/22/2018	17:46
LAKE_JACKSON	8/22/2018	17:01
LITTLE_YORK	8/22/2018	15:46
LA_MARQUE	8/22/2018	17:01
LA_PORTE	8/22/2018	14:46
LOUETTA_12KV	8/22/2018	17:01
LOUETTA_35KV	8/22/2018	17:01
LIVERPOOL	8/22/2018	17:16
LOCKWOOD	8/22/2018	16:16
LYONDELL_35KV	8/22/2018	14:16
MASON ROAD	8/22/2018	17:01
MONT_BELVIEU	8/22/2018	17:31
MISSOURI CITY	8/22/2018	15:46
MOODY	8/22/2018	16:16
MEMORIAL	8/22/2018	16:46
MEMORIAL MOBILE	8/22/2018	16:46
MIDTOWN	8/22/2018	16:31
MAG PARK_12kv	8/22/2018	16:16
MAG PARK_35kv	8/22/2018	16:16
MUSTANG_BAYOU	8/22/2018	17:01
MANVEL 12KV	8/22/2018	16:31
MARY'S_CREEK	8/22/2018	16:01
NORTHBELT	8/22/2018	15:31
NEW GULF 12KV	8/22/2018	15:31
NORMANDY	8/22/2018	16:16
NEWPORT	8/22/2018	15:46
NORTHSIDE_12KV	8/22/2018	15:46
NASH	8/22/2018	10:16
NEEDVILLE	8/22/2018	17:31
OATES	8/22/2018	16:01
OBRIEN	8/22/2018	17:46
ORCHARD 12KV	8/22/2018	17:01
ORCHARD 35KV	8/22/2018	17:01
PASADENA	8/22/2018	16:16
PEARLAND (12kv)	8/22/2018	16:31
PLEDGER	8/22/2018	18:16
P.H. ROBINSON	8/22/2018	17:46
PINEHURST	8/22/2018	16:46
PILGRIM	8/22/2018	16:31
POLK 12KV	8/22/2018	11:01
POLK 35KV	8/22/2018	11:01
POLARIS	8/22/2018	16:31
PARKWAY	8/22/2018	16:31
PLAZA	8/22/2018	15:16
QUAIL VALLEY	8/22/2018	17:01
RAYFORD_35KV	8/22/2018	17:01
READING 12KV	8/22/2018	16:16
ROARK 12KV	8/22/2018	16:16
ROARK 35KV	8/22/2018	16:16
ROSENBERG	8/22/2018	14:46
RETRIEVE	8/22/2018	16:31
RITTENHOUSE	8/22/2018	16:16
ROSHARON	8/22/2018	17:01
SATSUMA 12kv	8/22/2018	14:46
SATSUMA 35kv	8/22/2018	14:46

STRAWBERRY_BELT	8/22/2018	17:16
SOUTH_CHANNEL	8/22/2018	14:31
SEAWALL	8/22/2018	20:31
STADIUM	8/22/2018	15:30
SANDY POINT	8/22/2018	3:46
SEALY 12KV	8/22/2018	16:46
SEALY 35KV	8/22/2018	16:46
SAN FELIPE 12KV	8/22/2018	16:16
SAN FELIPE 35KV	8/22/2018	16:16
SOUTH_HOUSTON	8/22/2018	16:16
SIENNA	8/22/2018	17:31
SOUTHWYCK	8/22/2018	16:46
SPENCER	8/22/2018	16:31
SPRINGWOODS	8/22/2018	15:46
SAUER	8/22/2018	16:01
SHARPSTOWN	8/22/2018	16:16
STAFFORD 12KV	8/22/2018	16:16
STAFFORD 35KV	8/22/2018	16:16
STEWART	8/22/2018	17:01
SCENIC_WOODS	8/22/2018	16:31
TANNER	8/22/2018	15:31
TOMBALL 12KV	8/22/2018	16:31
TOMBALL 35KV	8/22/2018	16:31
TELEPHONE	8/22/2018	16:16
T.H. WHARTON 35KV	8/22/2018	16:01
TIKI ISLAND MOBILE	8/22/2018	17:31
THOMPSONS	8/22/2018	14:16
TODD	8/22/2018	15:46
TRINITY BAY 12KV	8/22/2018	14:31
TRINITY BAY 35KV	8/22/2018	14:31
TELVIEW	8/22/2018	16:46
TREASCHWIG	8/22/2018	16:46
ULRICH 12KV	8/22/2018	16:16
ULRICH 35KV	8/22/2018	16:16
UNIVERSITY	8/22/2018	16:16
UVALDE	8/22/2018	16:01
UNDERWOOD	8/22/2018	16:16
VILLAGE CREEK	8/22/2018	17:46
VELASCO	8/22/2018	15:46
WALLIS 35kv	8/22/2018	15:31
WEST BAY	8/22/2018	16:31
WOODCREEK	8/22/2018	14:31
WITTER	8/22/2018	16:31
WEBSTER	8/22/2018	16:16
WESTFIELD 12KV	8/22/2018	16:16
WESTFIELD 35KV	8/22/2018	16:16
WESTHEIMER 12KV	8/22/2018	16:31
WESTHEIMER 35KV	8/22/2018	16:31
WALLER 12KV	8/22/2018	14:46
WALLER 35KV	8/22/2018	14:46
WILLOW 12KV	8/22/2018	17:01
WILLOW 35KV	8/22/2018	17:01
WHITE OAK	8/22/2018	16:46
WHARTON	8/22/2018	17:31
WIRT	8/22/2018	17:01
WALLISVILLE	8/22/2018	16:01
WESTWOOD	8/22/2018	16:31
WESTCHASE	8/22/2018	16:16

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-14**

QUESTION:

Class allocation of distribution system costs

Please provide the date and time of the maximum demand on the Company's distribution system considered as a whole. Please provide the date and time of the ERCOT system peak demands during the 4CP months that occurred during the Test Year.

ANSWER:

The 2018 maximum demand on the distribution system was on Wednesday 8/22/2018 at 16:16 (4:16 PM). The ERCOT peak demands during the 4CP months were: June: 6/27/2018 @ 17:00; July: 7/19/2018 @ 17:00; August: 8/23/2018 @ 16:45; and September: 9/19/2018 @ 16:30, as provided by ERCOT.

SPONSOR (PREPARER):

Matthew Troxle/Dale Bodden (Matthew Troxle/Dale Bodden)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-15**

QUESTION:

Class allocation of distribution system costs
Please provide the total number of customer meters on the system.

ANSWER:

There are 2,503,211 customer meters on the system. This includes distribution and transmission customers. See WP-Customer Count.

SPONSOR (PREPARER):
Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:
None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-16**

QUESTION:

Class allocation of distribution system costs
Please provide the number of customer meters that have been mapped to a line transformer.

ANSWER:

All distribution customer meters, except for primary metered customers, are mapped to a line transformer. The number of meters as of 12/31/2018 was 2,484,210. Please see WP-Customer Count.

SPONSOR (PREPARER):

Matthew Troxle/Dale Bodden (Matthew Troxle/Dale Bodden)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-17**

QUESTION:

Class allocation of distribution system costs

Please provide the number of customer meters that have been mapped to a distribution substation (through the most likely feed path to the customer).

ANSWER:

All distribution customer meters are mapped to a distribution circuit, and thus to a distribution substation. The number of meters as of 12/31/2018 was 2,485,209. See WP-Customer Count.

SPONSOR (PREPARER):

Matthew Troxle/Dale Bodden (Matthew Troxle/Dale Bodden)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-18**

QUESTION:

Class allocation of distribution system costs

Did the Company perform any studies, reports, or analyses as to the feasibility of measuring class demands at different distribution system elements such as substations, feeders, or line transformers? If yes, please provide a copy of all studies, reports, or analyses. If not, why not?

ANSWER:

No, it did not. The Company did not study other possible allocation methodologies because the methodologies proposed by the Company are generally the same as the methodologies that were approved by the Commission in Docket No. 38339, and are reasonable.

SPONSOR (PREPARER):

Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-19**

QUESTION:

Class allocation of distribution system costs

For each customer class, please identify the proportion of customers in that class that have a meter capable of measuring and recording customer demand during all hourly and/or 15-minute demand intervals.

ANSWER:

All AMS and IDR meters have the capability to measure 15-minute demand intervals, which includes all customer classes except *Street Lighting* and *Miscellaneous Lighting*. The customer class breakout can be found in WP - Cust by Meter Type.

SPONSOR (PREPARER):

Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-20**

QUESTION:

Class allocation of distribution system costs

Please provide all the workpapers supporting the calculation of all the class allocation factors for distribution system costs. For each class allocation factor, please explain the methodology the Company followed to calculate the allocation proportions for that class allocation factor.

ANSWER:

Please refer to the Company's application and rate filing package filed on April 5, 2019, specifically within Schedule H,I,J and CA and the supporting workpapers.

SPONSOR (PREPARER):

Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-21**

QUESTION:

Class allocation of distribution system costs

Please refer to Troxle at 21, which states "the Company's distribution system is designed to serve the maximum load requirement of each individual retail customer at the same time." Please clarify whether this means that the Company's substations, feeders, and line transformers have been sized based on the sum of individual customer maximum demands (i.e., sum of customer non-coincident peak demands, undiversified).

ANSWER:

To clarify, the Company's distribution system is designed to serve all the coincident load on a given distribution circuit at peak. Therefore, diversity among the customer loads on each circuit is considered in the base case of our circuit modeling program. For the grown case of our circuit modeling program, known new loads are added to the base case, which are also diversified, and a growth factor and 14 month max value are applied to the loads of all large commercial customers that are metered by an IDR meter. This process helps to ensure that the circuit will be capable of serving projected load into the foreseeable future.

SPONSOR (PREPARER):

Matthew Troxle/Dale Bodden (Matthew Troxle/Dale Bodden)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-22**

QUESTION:

Class allocation of distribution system costs

For each class, please provide that class's maximum diversified demand (or non-coincident peak demand), with date and time.

ANSWER:

The date and time of the non-coincident peak by rate class and meter type are provided in the attached spreadsheet.

SPONSOR (PREPARER):

Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:

PUC01-22 Non-coincident peak day time.xlsx

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET NO. 49421-SOAH DOCKET NO. 473-19-3864
PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-23**

QUESTION:

Class allocation of distribution system costs

Please provide any studies, analyses, or reports performed or acquired by the Company that suggest that using class demands coincident with ERCOT system peak demands during the 4CP months would result in a more accurate allocation of distribution system costs as compared to Class MDD (NCP), which is the class allocation basis that is most often adopted by the Commission for those costs for regulated utilities in Texas.

ANSWER:

No comparative analysis was performed or acquired.

SPONSOR (PREPARER):
Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:
None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-24**

QUESTION:

Class allocation of distribution system costs

For each customer on the system, please provide the date and time of the customer's TY maximum demand. For each customer, please indicate the rate class that customer belonged to during the Test Year.

ANSWER:

The sum of the customer maximum demands were provided in schedule II- H-1.3. The date and time of the customer's TY maximum demand was not captured for all rate classes. The attached files contain all available responsive information. For the IDR meter customer the information is in the attachment titled "PUC01-24 IDR_2018_peak_details(CONFIDENTIAL_HIGHLY SENSITIVE).xlsx". For the AMS (mass metered) customers the date and time information was collected and saved only for the month of August 2018. The peak date and time for August 2018 for the AMS customers is provided in the file named "PUC01-24 EXTRACT_AUG2018_PEAKUSAGE_20190416(CONF_HIGHLY SENSITIVE).zip". The date and time for peak demand in other months for AMS customers is not available.

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

SPONSOR (PREPARER):

Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:

PUC01-24 EXTRACT_AUG2018_PEAKUSAGE_20190416(CONF_HIGHLY SENSITIVE).zip

PUC01-24 IDR_2018_peak_details(CONFIDENTIAL_HIGHLY SENSITIVE).xlsx

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-25**

QUESTION:

Class allocation of distribution system costs

Please refer to Troxie at 21, which refers to the class energy requirement. Please clarify if the Company's proposed class 4CP demand basis is an average and excess demand allocation methodology. Please identify the costs in the CCSS, if any, that have been classified as energy related. If there are no such costs, what does Mr. Troxie mean by the "energy requirements" of the classes?

ANSWER:

The Company used unadjusted 4CP allocators. These allocators consist of:

D1 - Generation Demand - A&E 4CP – which is based on the average and excess for generation level.

D2 - Transmission Demand - CEHE 4CP – which is the unadjusted average 4CP for transmission demand

D3 - Dist Demand - Sub Level - 4CP – which is the unadjusted 4CP for distribution at the Substation level

D4 - Dist Demand - Line Level - 4CP – which is the unadjusted 4CP for distribution at the Line level by subtracting the underground 4CP from the Substation level

D5 - Dist Dem-Line Level-4CP-Secondary – which is the 4CP for distribution at the Line level that only impacts secondary voltage customers.

While the Company did develop the D1 allocator based on average and excess, this allocator was not used in determining the classifications in this filing as shown in Schedule H-I-J and CA. The Demand allocators used to classify costs were D2, D3, D4 and D5. The calculations for these distribution allocators can be found in WP – Avg_4CP, WP – Dist_4CP and WP – A&E_4CP. The sentence on page 21, Lines 17 through 20 was inadvertently added as an explanation relating to the unused D1 allocator.

SPONSOR (PREPARER):
Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:
None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-26**

QUESTION:

Class allocation of distribution system costs

Please explain how (if at all) the Company adjusted its demand allocation factors for distribution system costs to account for the relative line losses of the classes at that point in the distribution system.

ANSWER:

No adjustments have been made.

SPONSOR (PREPARER):
Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:
None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET NO. 49421-SOAH DOCKET NO. 473-19-3864
PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-27**

QUESTION:

TCRF mechanism

Is the Company proposing to continue its practice of recovering some of the ERCOT transmission system payments that CEHE incurs as a load serving entity in base rates, and some under the TCRF mechanism (as utilities' TCOS change over time)? If yes, is CEHE aware that the trend has been to remove all ERCOT transmission payments from base rates and recover all such payments under the TCRF? If yes, please explain all the considerations that went into CEHE's decision to retain its current hybrid cost recovery of ERCOT transmission payments (via base rates and the TCRF). Would CEHE be open to recovering all its ERCOT transmission payments via the TCRF? Why or why not?

ANSWER:

Yes. The Company's filing is consistent with the TCRF rule and the treatment of the TCRF approved in the Company's last rate case, Docket 38339. The Company has not identified a "trend" in Commission precedent to remove Transmission from base rates in litigated proceedings before this Commission. The Company is receptive to considering alternative positions to its filed case in the context of settlement.

SPONSOR (PREPARER):
Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:
None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
DOCKET NO. 49421-SOAH DOCKET NO. 473-19-3864
PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-28**

QUESTION:

TCRF mechanism

The Company proposes two different TCRF rates for the large secondary and primary classes, one for customers with IDR meters, and another for those without IDR meters. Is the Company aware of the issues that Sharyland experienced with IDR/Non-IDR TCRF rates? As opposed to performing an intra class allocation of TCRF costs assigned to the large secondary and primary classes (to subclasses with and without IDR meters), has the Company considered the alternative approach of setting a separate IDR and Non-IDR TCRF rate based on the costs allocated to the class as a whole, based on the IDR and Non-IDR billing units of the class as a whole, with the non-IDR rate to be charged until a new customer establishes a 4CP consistent with the tariff? If the Company has not considered this alternative, would the Company be open to considering it?

ANSWER:

The Company is not aware of the issues that Sharyland experienced with IDR/Non-IDR TCRF rates. The Company has not considered the alternative approach mentioned by Staff as the Company's current methodology is consistent with the TCRF rule and has been approved by the Commission numerous times. The Company is receptive to considering alternative positions to its filed case in the context of settlement.

SPONSOR (PREPARER):
Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:
None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-29**

QUESTION:

TCRF mechanism

Is the Company aware of the issue with TCRF cost allocation that was presented by TNMP in Docket No. 48401? If yes, would the Company consider an amendment to its TCRF to provide for annual updates to the TCRF class allocation factors based on periodic updates to the class 4CP load information?

ANSWER:

The Company is not aware of the issue with TCRF cost allocation that was presented by TNMP in Docket No. 48401. The Company is receptive to considering alternative positions to its filed case in the context of settlement.

SPONSOR (PREPARER):

Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-30**

QUESTION:

DC ties

Does the Company own any DC tie interconnections with areas outside ERCOT? If yes, please identify each such interconnection, and provide the TY costs of each interconnection by FERC account.

ANSWER:

Yes, the Company owns a portion of the Welsh DC Tie which interconnects to SWPP. The total test year costs for the interconnection was \$1,144,776.06. Below are the test year costs of the interconnection by FERC account.

FERC 1070	267,039.99
FERC 5630	131,660.41
FERC 5600	219,434.02
FERC 5660	219,434.02
FERC 5710	307,207.62

SPONSOR (PREPARER):

Martin Narendorf (Martin Narendorf)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-31**

QUESTION:

DC ties

Please provide the Company's TY transmission revenues for the export of power from ERCOT.

ANSWER:

The Company's test year transmission revenue for the export of power from ERCOT is \$1,810,951.

SPONSOR (PREPARER):

Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-32**

QUESTION:

DC ties

Please explain how the Company billed and collected the revenues (if any).

ANSWER:

A report of prior calendar month DC tie information is provided by ERCOT by qualified scheduling entity (QSE). The exports for each day are totaled for each applicable QSE. The total exports are multiplied by the rates detailed in the Company's tariff for wholesale transmission service. The QSE is billed using the Company's Accounts Receivable Other (ARO) billing system. The collections process includes review of an ARO aging report and contacting the QSE if necessary.

SPONSOR (PREPARER):

Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:

None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-33**

QUESTION:

DC ties

For each hour of the TY, please provide the total energy exported from ERCOT during that hour, without regard to who owned and operated the interconnections to areas outside ERCOT.

ANSWER:

CenterPoint Houston does not have the requested information.

SPONSOR (PREPARER):

Martin Narendorf (Martin Narendorf)

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
2019 CEHE RATE CASE
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**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-34**

QUESTION:

WDS

Does the Company serve any wholesale customers at distribution voltage (WDS)? If yes, please identify the Company's costs to serve WDS customers (stated in total and by FERC account/subaccount) and comprehensively explain the methodology the Company followed to measure the WDS cost of service. To the extent the Company uses load information from WDS customers to allocate costs to WDS customers, please provide the load data.

ANSWER:

No, the Company does not serve any wholesale customers at distribution voltage.

SPONSOR (PREPARER):
Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:
None

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-35**

QUESTION:

Other revenues

Please identify all sources of revenue, other than network transmission revenues and retail delivery revenues, that the Company collected during the Test Year (e.g., pole rentals, substation leases, etc.). For each source, please explain the activities that give rise to the revenues, provide the TY level of revenues, identify all proposed adjustments to the TY level of revenues, and explain how the revenues were functionalized between transmission and distribution.

ANSWER:

Other revenue items are shown on WP II-E-5.2 with descriptions of the activities. Proposed adjustments to the test year level of revenues are described in WP II-E-5.1. The functionalization of other revenue items is directly based on the underlying source of the revenue as shown on WP II-E-5.2 and attachment PUC01-35 Attachment 1.

SPONSOR (PREPARER):

Kristie Colvin (Kristie Colvin)

RESPONSIVE DOCUMENTS:

PUC01-35 Attachment 1.xlsx

CenterPoint Energy Houston Electric, LLC

Account Number	Description	Functionalization Explanation
Other Revenues:		
Non-Electric Revenue		
4211	Gain On Disp of Prop	
485010	Revenues from Gain On Disp of Prop	These are related to the transmission right of ways
4500	Forfeited Discount	
445010	Revenues from Forfeited Discounts	These are late charges related to distribution tariff billings.
4510	Miscellaneous Service Revenues	
GL 443009	Street/Alley Closures	These are related to the distribution right of ways.
	Processing Fees	These are related to various transmission activities (for example: grants to others)
GL 443010	Grants to Others (formerly Temp Right of Way Access)	These are related to the transmission right of ways.
	Consent to Encroachment	These are related to the transmission right of ways
	Other Miscellaneous	These are related to various distribution activities (for example: premium roll over)
443021	Connect/Disconnect - Discretionary	These are distribution tariff billings.
443022	Reconnect - Discretionary	These are distribution tariff billings.
		These are distribution tariff billings with tampering or diversion
443025	Miscellaneous Services - Discretionary	functionalized to metering.
445025	Disconnects - Discretionary	These are distribution tariff billings.
491011	Temporary Service Connections - Discretionary	These are distribution tariff billings
4540	Rent from Property	
GL 402840	Commercial Land Lease	These are related to the transmission right of ways
	LROW Leases (WI-FI fees)	These are on transmission towers
	Pole Attachment	These are on distribution poles.
	Grazing Land Lease	These are related to the transmission right of ways.
	Monitoring Well	These are related to the transmission right of ways
	Non-Standard Land Lease	These are related to the transmission right of ways.
	Pipeline Related Lease	These are related to the distribution right of ways
	Net Leasing Amortization (Deferrals)	These are related to the transmission right of ways.
443029	Wireless Revenues	These are on transmission towers
443033	Fiber Optics Revenues	These are related to the distribution right of ways.
4560	Other Electric Revenue	
402825	Elec Sales - Syst Restoration-ADFIT Cre	Not Applicable to this workpaper.
402826	Elec Sales-Syst Restoration-ADFIT Unbill	Not Applicable to this workpaper
402827	Elec Misc - Over/Under AMS	Not Applicable to this workpaper
402828	Elec Sales-Over/Under ADFIT Credit	Not Applicable to this workpaper.
402829	Elec Sales - Over Under EECRF	Not Applicable to this workpaper
402831	Elect Misc - Over/Under TCRF	Not Applicable to this workpaper
402836	DCRF Adjustment	Not Applicable to this workpaper.
402846	Elec Sales Rev - Royalty Revenues	These are related to the transmission right of ways.
402860	Elec Sales - Tax Adj	Not Applicable to this workpaper.
405026	Other Electric Revenue-CTC Recovery	Not Applicable to this workpaper.
405060	TC Equity Interest	Not Applicable to this workpaper.
405070	Elec Sales-Other SRB Equity Interest	Not Applicable to this workpaper.
443027	Other Oper Rev - EE Bonus	Not Applicable to this workpaper.
4561	Revenue - Transmission of Electricity of Others	
404010	Electricity Transmission Revenues	Not Applicable to this workpaper.
404011	Electricity Transmission Revenues- ERCOT	Not Applicable to this workpaper.
TOTAL OTHER REVENUES		

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

**PUBLIC UTILITY COMMISSION OF TEXAS
REQUEST NO.: PUC01-36**

QUESTION:

Primary / secondary split

With respect to the costs of system elements such as conductors that might operate at primary or secondary voltage, for each relevant FERC account please explain the methodology the Company followed to split the costs among the primary and secondary voltage levels and provide all the supporting workpapers.

ANSWER:

For each FERC account, all of the components listed within the account were manually reviewed by Company Engineers to verify how the component was utilized. The majority of the components had a prior determination from the manual review that took place as part of the Company's previous rate case, Docket 38339. Where there was a prior determination, that previously approved determination was used as the starting basis, and was then reviewed to determine if any revisions were necessary. New components were split according to the aforementioned manual review by the Company Engineers. The manual review was used to determine whether the component is used for primary or secondary service. For further information, please see WP-Plant FERC Accts.

SPONSOR (PREPARER):

Matthew Troxle (Matthew Troxle)

RESPONSIVE DOCUMENTS:

None

CERTIFICATE OF SERVICE

I hereby certify that on this 1st day of May 2019, a true and correct copy of the foregoing document was served on all parties of record in accordance with 16 Tex. Admin. Code § 22.74.


