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SOAH DOCKET NO. 473-22-00989
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APPLICATION OF CENTERPOINT §
ENERGY HOUSTON ELECTRIC, LLC §
FOR APPROVAL TO AN ADJUSTMENT §
TO ITS ENERGY EFFICIENCY COST §
RECOVERY FACTOR §

BEFORE THE
STATE OFFICE OF
ADMINISTRATIVE HEARINGS

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June 30, 2022

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**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 53677
SOAH DOCKET NO. 473-22-00989**

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC01-01**

QUESTION:

Refer to the Direct Testimony of Shea Richardson, page 13. Please explain why CenterPoint did not claim any savings associated with the Smart Home Energy Management System pilot but believes that analysis of the program supports that smart home devices provide savings.

ANSWER:

While the data and energy savings analysis from the pilot do substantiate savings associated with Smart Home Energy Management Systems (SHEMS), CenterPoint Houston did not want to claim savings associated with these systems until program results could be utilized to develop SHEMS into a fully approved measure in the Texas Technical Reference Manual (TRM). That process is underway, and the savings algorithms and methodology developed from the pilot are being used to incorporate SHEMs into the TRM as a new prescriptive measure.

SPONSOR (PREPARER):

Shea Richardson

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 53677
SOAH DOCKET NO. 473-22-00989**

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC01-02**

QUESTION:

Refer to the Direct Testimony of Shea Richardson, page 32. Please provide a description of specific concepts that CenterPoint staff members learned at out-of-state energy efficiency and professional conferences from other utilities and markets to make the Company's energy efficiency programs as effective as possible and explain if any of the concepts have been incorporated into this EECRF filing.

ANSWER:

After further review, the question and answer provided on page 32 of the Direct Testimony of Shea Richardson is not accurate as CenterPoint Houston Staff did not travel out-of-state in 2021 to attend professional conferences or events. CenterPoint Houston staff did, however, participate in virtual conferences that included industry professionals such as the 2021 ACEEE Energy Efficiency Finance Forum. This event provided insights on how organizations are overcoming barriers to fund energy efficiency projects at facilities.

CenterPoint Houston Staff also attended other industry trainings including building science courses offered by the American Society of Heating, Refrigeration and Air-Conditioning Engineers (ASHRAE). Several ASHRAE courses were particularly valuable from a technical standpoint as they provided guidance on equipment and procedures for occupant safety and engineering considerations for reopening buildings after lengthy periods of shutdown due to the COVID-19 Pandemic. Concepts from this training have already helped CenterPoint Houston Staff evaluate how changes in building occupancy impact certain aspects of energy efficiency projects, such as the measurement and verification of savings.

SPONSOR (PREPARER):
Shea Richardson

RESPONSIVE DOCUMENTS:
None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 53677
SOAH DOCKET NO. 473-22-00989**

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC01-03**

QUESTION:

Refer to Exhibit SAR-1, Table 5. Regarding the Commercial MTP program, please explain the basis for expecting a 23% increase in demand savings and 43% increase in energy savings from 2022 to 2023, with no change in the incentive budget. Does CenterPoint anticipate implementing any new measures under the program? If so, please describe the measures.

ANSWER:

CenterPoint Houston currently offers a comprehensive mix of measures through Commercial MTP program. While the Company will certainly evaluate opportunities to add new measures to that mix for Program Year 2023, the planned increases to demand reduction and energy savings are based on optimizing incentive spend by focusing on projects and measures that provide the highest kW and kWh savings per incentive dollar spent.

SPONSOR (PREPARER):

Shea Richardson

RESPONSIVE DOCUMENTS:

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PUC DOCKET NO. 53677
SOAH DOCKET NO. 473-22-00989**

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC01-04**

QUESTION:

Refer to Exhibit SAR-1, Table 6. Please provide a breakdown of the admin and R&D expenses in 2022 and 2023 and explain why CenterPoint anticipates a reduction of more than \$750,000 in admin expenses and \$135,000 in R&D expenses from 2022 to 2023.

ANSWER:

A breakdown of CenterPoint Energy's program year 2022 & 2023 administrative expense budgets is provided below:

Administrative Expense Budgets		
	2022	2023
Labor	\$2,494,006	\$2,369,909
Consultants	\$1,081,058	\$500,000
Sponsorships	\$17,600	\$20,250
Expenses	\$38,602	\$36,645
Marketing & Promotion	\$65,500	\$72,000
Shared Services/IT Costs	\$81,545	\$29,504
Miscellaneous Equipment & Services	\$36,978	\$33,465
Total	\$3,815,289	\$3,061,773

In 2023, CenterPoint Houston expects to significantly reduce administrative expenses related to outside consulting support of its Energy Efficiency portfolio. The Company also projects that 2023 internal labor costs for staffing will be lower than than planned for the 2022 program year.

CenterPoint Houston does not have a detailed breakdown for 2023 Research and Development projects, but the Company believes that having R&D funds available is important to support new technologies and EE measures as opportunities are identified. CenterPoint Houston believes this proposed reduction in the R&D budget strikes a reasonable balance as it will allow enough funding to identify and pursue R&D initiatives while reducing the potential for over-collection of a larger R&D budget that is not fully utilized.

SPONSOR (PREPARER):
Shea Richardson

RESPONSIVE DOCUMENTS:
None

CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of June 2022, a true and correct copy of the foregoing document was served upon all parties of record by email pursuant to Order Suspending Rules - PUC Docket No. 50664.


