

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
PUC DOCKET NO. 56211  
SOAH DOCKET NO. 473-24-13232**

**IBEW Local 66  
REQUEST NO.: IBEW-RFI01-04**

**QUESTION:**

Identify each consulting expert whose mental impressions or opinions have been reviewed by an expert you expect to call to testify at the hearing on the merits. For any consulting expert provide:

- a. the expert's name, address, and telephone number;
- b. the facts known by the expert that relate to or establish the expert's mental impressions and opinions formed or made in connection with this case;
- c. the expert's mental impressions and opinions formed or made in connection with the case, and any methods used to derive them;
- d. any bias of the witness;
- e. all documents, tangible things, reports, models, or data compilations provided to, reviewed by, or prepared by or for the expert in anticipation of the expert's testimony; and
- f. the expert's current resume and bibliography.

**ANSWER:**

CenterPoint Houston has not engaged any consulting experts that have provided impressions or opinions that have been reviewed by any testifying experts.

**SPONSOR:**

Lynnae Wilson

**RESPONSIVE DOCUMENTS:**

None

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**IBEW Local 66  
REQUEST NO.: IBEW-RFI01-05**

**QUESTION:**

Have you identified any errors in your public notice or your Application?

**ANSWER:**

CenterPoint Houston has identified errors as identified in its errata filing made on April 19, 2024. Please note that an additional errata filing will be made to incorporate corrections recently identified.

**SPONSOR:**

Lynnae Wilson

**RESPONSIVE DOCUMENTS:**

None

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**IBEW Local 66  
REQUEST NO.: IBEW-RFI01-06**

**QUESTION:**

For any errors identified in your response to the previous Request, describe how you discovered or learned of the error and identify the source of the corrected information.

You have had growth of 257,084 residential customers, and 21,047 commercial accounts for a total of 278,131 total new customers. On page 8, lines 3 through 12 of Lynnae Wilson's direct testimony, she claims growth of 24% since 2010.

**ANSWER:**

The errors identified in CenterPoint Houston's April 19, 2024 errata filing were identified during the discovery process.

The growth statistics cited from page 8 of Lynnae Wilson's testimony were related to the population growth in the Houston area, and not the load growth numbers referenced in the question. The load growth statistics in the question reflects growth since CenterPoint Houston's last rate case.

**SPONSOR:**

Lynnae Wilson

**RESPONSIVE DOCUMENTS:**

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
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**IBEW Local 66  
REQUEST NO.: IBEW-RFI01-07**

**QUESTION:**

Distribution line construction:

- a. What is the total cost of distribution line construction you include in your requested rate base?
- b. What is the cost of the distribution line construction you outsource that you include in your Application as part of your requested rate base?
- c. If you are unable to respond to subpart b, please provide any data relating to your outsourcing of distribution line construction.
- d. Please provide your internal guidelines requirements to outsource distribution line construction instead of internal responsibility

**ANSWER:**

a, See chart below for capital additions to gross plant in service; please note: impact of accumulated depreciation is not reflected.

Year	TOTAL
2019	\$ 119,923,932
2020	\$ 163,436,675
2021	\$ 171,878,928
2022	\$ 233,336,570
2023	\$ 356,700,710
TOTAL	\$ 1,045,276,815

b, See chart below for capital additions to gross plant in service; please note: impact of accumulated depreciation is not reflected.

Year	TOTAL
2019	\$ 58,880,133
2020	\$ 60,893,524
2021	\$ 68,990,029
2022	\$ 100,410,323
2023	\$ 127,220,605
TOTAL	\$ 416,394,614

c. Not applicable.

d, CenterPoint Houston does not have internal guideline requirements to outsource. We constantly evaluate construction needs & the budget to determine the best way to distribute the work.

Please note: in the original request, subpart (d) stopped at "instead of". On May 2, 2024, counsel for IBEW modified the request to add "internal responsibility."

**SPONSOR:**

Deryl Tumlinson/Randy Pryor

**RESPONSIVE DOCUMENTS:**  
None

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**IBEW Local 66**  
**REQUEST NO.: IBEW-RFI01-08**

**QUESTION:**

Distribution line maintenance and repair:

- a. What is the total cost of distribution line maintenance and repair you include in your requested rate base?
- b. What is the cost of the distribution line maintenance and repair you outsource that you include in your Application as part of your requested rate base?
- c. If you are unable to respond to subpart b, please provide any data relating to your outsourcing of distribution line maintenance and repair.
- d. "[Withdrawn by IBEW.]"
- e. What are your contractual arrangements with outsourcing contractors and sub contractors for distribution line maintenance and repair to ensure compliance with 16 Texas Administrative Code (TAC) §25.52(b)(1) and (2) and PURA 38.005(c)?
- f. How does your use of outsourcing with outsourcing contractors and sub-contractors for distribution line maintenance and repair comply with 16 (TAC) §25.52(b)(4) and PURA 38.005 (c), which require each utility to maintain adequately trained and experienced personnel throughout its service area so the utility is able to fully and adequately comply with service quality and reliability standards?

**ANSWER:**

a. See chart below for capital additions to gross plant in service; please note: impact of accumulated depreciation is not reflected.

Year	System Improvements	Restoration	Total
2019	\$117,642,840	\$47,044,744	\$164,687,585
2020	\$122,529,823	\$42,171,390	\$164,701,213
2021	\$176,850,224	\$57,807,604	\$234,657,827
2022	\$337,668,722	\$79,455,867	\$417,124,589
2023	\$412,982,649	\$118,087,918	\$531,070,567
Total	\$1,167,674,258	\$344,567,522	\$1,512,241,781

b. See chart below for capital additions to gross plant in service; please note: impact of accumulated depreciation is not reflected.

Year	System Improvements	Restoration	Total
2019	\$75,660,640	\$10,326,896	\$85,987,537
2020	\$63,484,977	\$8,526,708	\$72,011,685
2021	\$118,528,715	\$16,796,332	\$135,325,046

2022	\$197,510,687	\$21,987,271	\$219,497,958
2023	\$152,084,089	\$41,717,508	\$193,801,597
Total	\$607,269,108	\$99,354,715	\$706,623,823

c. Not applicable

d. On May 2, 2024, the requestor withdrew this portion of the question.

e. CenterPoint Houston primarily utilizes employees for restoration purposes to comply with 16 Tex. Admin. Code §25.52(b)(1) and (2) and PURA 38.005(c). However, there are situations where CenterPoint Houston uses contractors for additional support to accelerate restoration for our customers. For example, mutual assistance crews of contractors and sub-contractors are brought into the CNP service territory after a hurricane or other significant event.

f. CenterPoint Houston supplements internally staffed distribution crews with outsourced labor, primarily in the areas of large reliability projects, resiliency, growth, and restoration. These areas tend to change from year to year. Outsourced labor can be utilized when unexpected projects/events come up to supplement regular staffed resources. For example, mutual assistance crews of contractors and sub-contractors are brought into the CNP service territory after a hurricane to accelerate restoration for our customers. As stated in the answer to Question No. IBEW-RFI01-12, based on historical experience and planned distribution capital budget CenterPoint Houston determines the appropriate number of resources for each work type to comply with 16 Tex. Admin. Code §25.52(b)(4) and PURA 38.005(c).

**SPONSOR:**

Deryl Tumlinson/Randy Pryor

**RESPONSIVE DOCUMENTS:**

None

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**IBEW Local 66  
REQUEST NO.: IBEW-RFI01-09**

**QUESTION:**

Installation of new customer 3-phase meters:

- a. What is the number of installed new customer 3-phase meters you include in your requested rate base? What is the amount you include in your requested rate base for the installation of new customer 3-phase meters?
- b. What is the number of new customer 3-phase meters you outsourced that you include in your Application as part of your requested rate base? What is the amount you include in your requested rate base for the outsourced installation of new customer 3-phase meters?
- c. If you are unable to respond to subpart b, please provide any data relating to your outsourcing of the installation of new customer 3-phase meters.

**ANSWER:**

In response to 1-9.a, please see Table below. We are unable to provide amount for specific 3-phase sets because our system does not allow us to separate 3-phase & single-phase meter sets.

Year	Total Meter Sets	% Increase
2019	1,464	—
2020	1,672	14%
2021	1,661	-1%
2022	2,213	33%
2023	2,800	27%

In response to 1-9.b, CenterPoint Energy does not outsource 3-phase meter sets.

In response to 1-9 c. Not applicable

**SPONSOR:**

Deryl Tumlinson/Randy Pryor

**RESPONSIVE DOCUMENTS:**

None



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**IBEW Local 66**  
**REQUEST NO.: IBEW-RFI01-10**

**QUESTION:**

Installation of new customer single phase meters:

- a. What is the number of installed new customer single phase meters you include in your requested rate base? What is the amount you include in your requested rate base for the installation of new customer single phase meters?
- b. What is the number of new customer single phase meters you outsourced that you include in your Application as part of your requested rate base? What is the amount you include in your requested rate base for the outsourced installation of new customer single phase meters?
- c. If you are unable to respond to subpart b, please provide any data relating to your outsourcing of the installation of new customer single phase meters.

**ANSWER:**

In response to IBEW-RFI01-10 subparts a and b, please see the table below for the number of new customer single-phase meters installed by CenterPoint Houston and by contractors (North Houston Pole Line). With regard to single-phase meter installations by CenterPoint Houston, we are unable to provide an amount specifically for single-phase meter sets because our system records costs associated with 3-phase and single-phase meter installations to a common work breakdown structure (WBS). The amount for the outsourced installation of new customer single phase is \$ 98,887,895; these are capital additions to gross plant in service; please note: impact of accumulated depreciation is not reflected.

<b>2019 - 2023</b>	<b>Single Phase Meter Installs</b>
CenterPoint Houston	29,972
North Houston Pole Line (NHPL)	193,497
Grand Total	223,468

Subpart c is not applicable.

**SPONSOR:**

Deryl Tumlinson/Randy Pryor

**RESPONSIVE DOCUMENTS:**

None

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**IBEW Local 66  
REQUEST NO.: IBEW-RFI01-11**

**QUESTION:**

Vegetation management:

- a. What percentage of your total outages during the rate base period do you attribute to vegetation, including trees?
- b. Identify your internal and governmental compliance requirements with which you require your internal vegetation management employees to comply?
- c. Do you use a third-party safety administrator to help manage internal and governmental compliance requirements on internal vegetation management?
- d. Do you require outsourcing contractors and sub-contractors to meet the same internal and governmental compliance requirements with which your internal vegetation management employees must comply?
- e. Do you require outsourcing contractors and sub-contractors for vegetation management to use a third-party safety administrator to help manage internal and governmental compliance requirements?
- f. What is the total cost of scheduled or ongoing vegetation management you include in your requested rate base?
- g. What is the cost of the scheduled or ongoing vegetation management you outsource that you include in your Application as part of your requested ratebase?
- h. What is the total cost of emergency or outage-related vegetation management you include in your requested rate base?
- i. What is the cost of emergency or outage-based vegetation management you outsource that you include in your Application as part of your requested ratebase?

**ANSWER:**

Vegetation management:

- a. For the years 2019-2023, vegetation was cited as the cause for 10% of all outages.
- b. For Distribution vegetation management, CenterPoint is required to submit an annual report, PUC 25.96, which describes how the company operates its program.

For Transmission, NERC standard FAC-003-5 is a maintenance standard that requires entities, like CEHE, to be proactive in their vegetation management plans. The standard requires CEHE to develop a program that minimizes vegetation encroachment into the transmission ROW. The purpose of the standard is to prevent the risk of vegetation-related cascading outages that are the result of inadequate vegetation maintenance. The standard requires that CEHE inspects 100% of its applicable transmission lines annually, with no more than a span of 18 months between a line's inspection.

To comply with this transmission standard, the Vegetation Management team, annually, develops a maintenance plan that identifies vegetation that needs to be maintained and the planned execution strategy. Vegetation Management does an aerial inspection to identify lines that need maintenance. The group has documentation that identifies a cadence for trimming and any special trimmings that are the result of an agreement with a property owner that requires a non-standard trimming schedule.

- c. CenterPoint does not use a third-party safety administrator to help manage internal and governmental compliance requirements.
- d. CenterPoint provides a scope of work document to every vegetation management contractor

that provides mandatory directives to the expectations of their work. This work is monitored by employees for accuracy and completeness to ensure compliance.

- e. No, CenterPoint does not require outsourcing contractors and sub-contractors for vegetation management to use a third-party safety administrator.
- f. See below for total capital dollars spent for vegetation management, separated between scheduled work vs. restoration work.

Vegetation Management Capital Dollars from Jan 1, 2019 to Dec 31, 2023	
Scheduled Work	\$37,427,395
Restoration Work	\$3,457,065
Total VM Work	\$40,884,460

g. Since 100% of the vegetation management work is outsourced, the response to question g is the same as question f.

h. See above in part f for total capital dollars spent for vegetation management, separated between scheduled work vs. restoration work.

i. Since 100% of the vegetation management work is outsourced, the response to question i is the same as question h.

**SPONSOR:**

Deryl Tumlinson/Randy Pryor

**RESPONSIVE DOCUMENTS:**

None

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**IBEW Local 66  
REQUEST NO.: IBEW-RFI01-13**

**QUESTION:**

Please refer to Randal M. Pryor's direct testimony at page 34, lines 4-8.

Please describe what Mr. Pryor means by "supplement" including a description of the extent to which you "supplement" your workforce in Distribution Operations.

**ANSWER:**

The meaning of "supplement" is to provide support to our full-time staff. Using contractors is a strategic approach that can enhance the overall efficiency and well-being of the workforce. Supplementing full-time staff with additional support can have several benefits:

- **Reduces the need for overtime:** By providing extra hands, projects can be completed within scheduled timelines without overburdening the full-time staff.
- **Boosts productivity:** Full-time employees can concentrate on their primary responsibilities, while contractors are handling the additional workload.
- **Fills staffing gaps:** Whether due to reduced staffing or increased demand, contractors can quickly step in to ensure continuity.
- **Covers for personal time off:** During vacations or personal leaves of full-time employees, contractors can maintain the workflow.
- **Lowers stress levels:** Having the additional support can alleviate the pressure on full-time staff meeting tight target dates, contributing to a healthier & safer work environment.

**SPONSOR:**

Randal Pryor

**RESPONSIVE DOCUMENTS:**

None

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**IBEW Local 66  
REQUEST NO.: IBEW-RFI01-15**

**QUESTION:**

Please refer to Randal M. Pryor's direct testimony at page 35, line 21 to page 36, line 2.

Because your growth has been steady and you project your steady growth to continue, why do you not hire and train your own workers to reduce reliance on contractors and sub-contractors?

**ANSWER:**

As stated in Randal M. Pryor's direct testimony and the response in IBEW-RFI01-12, the Company has processes in place to ensure adequate staffing while, at the same time, ensuring that its staffing is efficient and reasonable. Although we have seen steady growth and increased focus on program projects, it is not guaranteed year to year. So, we must evaluate carefully how much staff we can add, so when we defer program projects for budget constraints, we do not need to reduce staff as well. Contractors have supplemented our resources very well and have proven to be a solid formula in meeting our construction goals.

**SPONSOR:**

Randal Pryor

**RESPONSIVE DOCUMENTS:**

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
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SOAH DOCKET NO. 473-24-13232**

**IBEW Local 66  
REQUEST NO.: IBEW-RFI01-16**

**QUESTION:**

Please refer to Figure 11 in Randal M. Pryor's direct testimony at page 42, lines 3 to 5.

- a. Please confirm the acronym "MUG" stands for Major Underground.
- b. Please identify what your customer count and growth was for each year in the table.
- c. The year-to-year increases in your MUG total spending ranges from about 21% in 2020, 19% in 2021, 50% in 2022, and 34% in 2023.
  1. Explain the variance in each year-to-year increase relative to your growth in customers.
  2. Explain the necessity of the increase in total annual spending in 2019 of \$355 million to \$1.019 billion in 2023.
- d. What are your practices and policies relating to capitalization of maintenance and repair work orders?

**ANSWER:**

- a. Yes, "MUG" stands for Major Underground as noted in the glossary of acronyms in Randal M. Pryor's direct testimony.
- b. Please reference table below. Note: customer counts are per Workpaper LKW 10 Customer count by year.

Year	Yearend Customer Count	Growth
2019	2,534,286	2%
2020	2,599,827	3%
2021	2,660,938	2%
2022	2,706,598	2%
2023	2,763,535	2%

c.1. As shown in the chart in 1-16 b, CenterPoint Houston's customer base has consistently grown over the past 5 years. To keep up with the added growth, along with inflation and the increase in costs for materials and services used, we have increased our spend on our system as well. We have also focused on investing more on the resiliency and modernization of our system during these years as well, and this, too, contributed to the increase in spend.

c.2. As stated in 1-16 c.1, added growth, inflation, the rise in material costs and services, and the increased focus on improving the resiliency of the system have all contributed to the increase in annual spending.

d. The three primary policies that determine how project costs are to be either capitalized or expensed are: various FERC guidelines relating to capitalization and expenses; CNP's

Capitalization Policy; and CNP's Capitalization of Computer Software Policy. The Company's capitalization policies have been provided in the direct testimony of Kristie L. Colvin at Bates pages 894-909 (Exh. KLC-10). The current versions of those policies have been in place since 2004, with minor updates over the years to incorporate amended FERC guidelines and changes in industry practice. CenterPoint Houston has consistently applied these policies in its prior base rate proceedings in Docket Nos. 38339 and 49421, as well as in its prior DCRF adjustment cases. The Company uses SAP work management software to track each project on a work order basis and all work orders are reviewed multiple times throughout the work order lifecycle to ensure that the costs are accurately identified as either capital or expense. For more details on the Company's capitalization practices and policies, refer to the direct testimony of Randal M. Pryor at Section VII.B (Distribution System Capital Additions--Capital Project Classification and Allocation) at pages 50-53 (Bates pages 537-540).

**SPONSOR:**

Deryl Tumlinson/Randy Pryor

**RESPONSIVE DOCUMENTS:**

None

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
PUC DOCKET NO. 56211  
SOAH DOCKET NO. 473-24-13232**

**IBEW Local 66  
REQUEST NO.: IBEW-RFI01-17**

**QUESTION:**

Outsourcing:

- a. As a general proposition, do you expect the contractors and sub-contractors with whom you contract for outsourcing to provide goods and services will include a profit margin on the outsourced goods and services they provide?
- b. Are you asking for a return on your spending for outsourced goods and services? If so, please identify the requested rate of return on outsourced goods and services.

**ANSWER:**

- a. Similar to vendors that provide goods and services, contractors and sub-contractors include a profit margin for the goods and services provided. As discussed in the response to IBEW RFI 01-13, we use contractors to supplement internal resources as well as to bring specialized skillsets to perform work for Houston Electric when necessary. It is our expectation that our contractors and subcontractors use this profit margin to invest in their businesses to ensure the contractors and sub-contractors have the skills, tools, and training necessary to perform work at Houston Electric safely and timely.
- b. The costs incurred for outsourced goods and services are part of our filing when they are O&M in nature, we are not seeking a rate of return specific to outsourced goods and services. However, when costs are capital in nature, the cost goes into rate base where a return on the net balance is included.

**SPONSOR:**

Lynnae Wilson

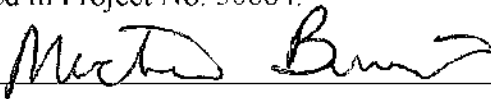
**RESPONSIVE DOCUMENTS:**

None



### **CERTIFICATE OF SERVICE**

I certify that on May 15, 2024, this document was filed with the Public Utility Commission of Texas in Docket No. 56211, and a true and correct copy of it was served by electronic mail on all parties of record in this proceeding in accordance with the Second Order Suspending Rules issued in Project No. 50664.

  
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The following files are not convertible:

IBEW-RFI0-03 2022 Survey of Law Firm  
Economics Results M Reynolds.xlsx

Please see the ZIP file for this Filing on the PUC Interchange in order to access these files.

Contact [centralrecords@puc.texas.gov](mailto:centralrecords@puc.texas.gov) if you have any questions.