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**SOAH DOCKET NO. 473-24-13232
PUC DOCKET NO. 56211**

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

May 16, 2024

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TABLE OF CONTENTS

| <u>Description</u> | <u>Page</u> |
|---|--------------------|
| CenterPoint Energy Houston Electric, LLC’s Response to IBEW Local 66 (“IBEW”) First Set of Requests for Information – Responses to IBEW-RFI01-12 & IBEW-RFI01-14 | 2-4 |
| Certificate of Service | 5 |
| <ul style="list-style-type: none">• Please note that the discovery responses were prepared under the direction of the sponsors. | |

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

**IBEW Local 66
REQUEST NO.: IBEW-RFI01-12**

QUESTION:

Please refer to Randal M. Pryor's direct testimony at page 32, lines 11-14.

- a. Please identify, describe, and provide documents relating to your "processes in place to ensure adequate staffing while, at the same time, ensuring that its staffing is efficient and reasonable."
- b. Please identify, describe, and provide documents for the rate case base period relating to your regular and consistent evaluation of future staffing needs.
- c. Please explain how outsourcing factors into your "processes" and determination your staffing is "efficient and reasonable."

ANSWER:

- a. Based on historical experience, CenterPoint Houston has determined the appropriate number of resources for each work type. CenterPoint Houston evaluates workload and annual distribution program goals to forecast the planned distribution capital budget and determine the number of required resources.
- b. See attached staffing model.
- c. CenterPoint Houston supplements its internally staffed distribution crews with outsourced labor, as necessary, primarily in the job areas of reliability, resiliency, growth, maintenance, and restoration. The need for labor in these areas can change year over year, but can also change during a given year and may require revisions to pre-identified staffing plans. We assess our workload, as well as the Company's resiliency and reliability program goals for the coming year, to determine the amount of outsourced spend and outsourced staffing required to be able to complete the identified work in each planning cycle.

SPONSOR:

Deryl Tumlinson/Randy Pryor

RESPONSIVE DOCUMENTS:

IBEW66-RFI01-12 Attachment Distribution Labor Template Summary.pdf

| Sum of Distribution Plan | | | | | Est Crew Requirement | | | |
|--------------------------|----------------|----------------|----------------|----------------|----------------------|-----------|-----------|-----------|
| | 2021 | 2022 | 2023 | 2024 | 2021 Crew | 2022 Crew | 2023 Crew | 2024 Crew |
| OVH | \$ 130,493,105 | \$ 196,863,820 | \$ 224,479,560 | \$ 148,701,883 | 71.8 | 93.4 | 102.4 | 72.0 |
| Programs | \$ 11,202,588 | \$ 14,750,000 | \$ 16,774,036 | \$ 14,351,300 | 9.9 | 11.7 | 13.4 | 12.0 |
| Trouble | \$ 9,929,855 | \$ 17,700,000 | \$ 14,865,852 | \$ 17,381,223 | 5.1 | 8.4 | 6.8 | 8.0 |
| URD | \$ 26,703,214 | \$ 38,200,000 | \$ 46,439,484 | \$ 46,627,032 | 22.5 | 33.8 | 39.9 | 37.0 |
| Total | \$ 178,328,762 | \$ 267,513,820 | \$ 302,558,932 | \$ 227,061,438 | 109.3 | 147.3 | 162.5 | 129.0 |

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

**IBEW Local 66
REQUEST NO.: IBEW-RFI01-14**

QUESTION:

Please refer to Randal M. Pryor's direct testimony at page 35, lines 19-20.

Please identify and provide documents related to all instances in which a partnership took contingencies out of the cost equation during the rate base period.

ANSWER:

Contingencies are taken out of the cost equation through unit pricing agreements we have in our contracts with outsourced contractors. Unit pricing agreements streamline the financial aspects of projects involving outsource contractors. These agreements specify a fixed price for each unit of work, which helps in managing costs effectively, especially when the scope of work is variable or uncertain. Removing contingencies from the cost equation leads to more predictable spending and often reduced costs. It's a practical approach that aligns payment with actual work done, mitigating financial risk and providing clear financial control over outsourced contracts. Examples of unit pricing can be found in the two contracts attached to this response.

The attachments are Highly Sensitive Protected Material and are being provided pursuant to the Protective Order issued in Docket No. 56211.

SPONSOR:

Randal Pryor

RESPONSIVE DOCUMENTS:

IBEW01-14 Attachment NHPL Overhead Construction 4600038271 (HSPM).pdf

IBEW01-14 Attachment Davey Distribution 4600040098 executed (HSPM).pdf

CERTIFICATE OF SERVICE

I certify that on May 16, 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.


