

Filing Receipt

Filing Date - 2024-05-20 04:21:42 PM

Control Number - 56211

Item Number - 232

SOAH DOCKET NO. 473-21-13232 PUC DOCKET NO. 56211

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

OFFICE OF PUBLIC UTILITY COUNSEL'S FOURTH REQUEST FOR INFORMATION TO CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC

Pursuant to 16 Texas Administrative Code ("TAC") § 22.144, the Office of Public Utility Counsel ("OPUC") submits this Fourth Request for Information to CenterPoint Energy Houston Electric, LLC ("CEHE"). OPUC requests that CEHE provide answers to the request for information under oath as required by 16 TAC § 22.144(c)(2)(F) within the timeframe specified in the procedural schedule in this proceeding. OPUC further requests that CEHE provide an answer to the questions and sub-questions in the order listed below with sufficient detailed information to provide a complete and accurate answer to each question and sub-question.

Definitions

- 1. "CEHE," the "Company," "Applicant," "You," and "Your" refer to CenterPoint Energy Houston Electric, LLC and its affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.
- 2. "Document" and "documents" include any written, recorded, filmed, or graphic matter, whether produced, reproduced, or on paper, cards, tape, film, electronic facsimile, computer storage device, or any other media, including, but not limited to, electronic mail (e-mail), memoranda, notes, analyses, minutes, records, photographs, correspondence, telegrams, diaries, bookkeeping entries, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, contracts, agreements, books, pamphlets, periodicals, appointment calendars, records and recordings of oral conversations, work papers, observations, commercial practice manuals, reports, summaries of interviews, reports of consultants, appraisals,

forecasts, tape recordings, or any form of recording that is capable of being transcribed into written form.

Instructions

- 1. The Definitions, Instructions, and Claim of Privilege sections set forth in this request for information apply to these questions.
- 2. In providing an answer to each question, please furnish all of the information that is in your possession, custody, or control, as defined by Texas Rules of Civil Procedure (Tex. R. Civ. Proc.) 192.7(b), including information in the possession, custody, or control of your affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.
- 3. Please answer each question based upon your knowledge, information, or belief, and state whether each answer is based upon your knowledge, information, or belief.
- 4. If you have possession, custody, or control, as defined by Tex. R. Civ. Proc. 192.7(b), of an original requested document, please produce the original requested document or a complete copy of the original requested document and all copies that are different in any way from the original requested document, whether by interlineation, receipt stamp, or notation.
- If you do not have possession, custody, or control of an original requested document, please produce copies of the document, however made, in your possession, custody, or control. If any requested document is not in your possession, custody, or control, please explain why the document is not in your possession, custody, or control and provide the current location and custodian of the requested document or any copy, summary, or other form of the requested document thereof.
- 6. If there is any confusion about a question, please contact the undersigned counsel for clarification.
- 7. In providing your response to a question, please start each response on a separate page and type, at the top of the page, the question that is being answered by the response.
- 8. As part of the response to each question, please state, at the bottom of the answer to the question, the name and job position of each person(s) who participated in any way, other than by providing clerical assistance, in the preparation of the answer to the question. If

- the question has sub-parts, please identify each person(s) by name and job position that participated in any way, other than by providing clerical assistance, in the preparation of the answer for each sub-part of the question.
- 9. Please state the name of the witness in this docket who will sponsor the answer to the question and/or sub-part of the question and who will swear to the truthfulness of the answer to the question and/or sub-part of the question.
- 10. Please provide individual responses to questions as each response becomes available, rather than waiting to provide all of the responses to the questions at the same time.
- 11. These questions are continuing in nature. If there is a change in circumstances or facts or if you receive or generate additional information that changes your answer to a question between the time of your original response and the time of the hearing, then you should submit, under oath, a supplemental response to your earlier answer to the question.
- 12. If you consider any question to be unduly burdensome, or if the response would require the production of a voluminous amount of material, please contact the undersigned counsel, as soon as possible, to discuss the situation and try to resolve the issue. Furthermore, if you object to any question on the grounds that the question seeks confidential information, or on any other grounds, please contact the undersigned counsel, as soon as possible, to discuss the situation and try to resolve the issue.
- 13. If the response to any question is voluminous, please make available all of the voluminous material at a designated location in Austin. Please provide a detailed index for the voluminous material with your response to the question to enable efficient review of the material. The index should include information sufficient to locate each individual document by page, file, and box number, date of each document, title of each document, description of each document if no document title exists, name of the preparer of each document, and length of each document.
- 14. If the requested information is included in previously furnished exhibits, workpapers, or responses to other discovery inquiries or otherwise, in hard copy or electronic format, please furnish specific references thereto, including Bates Stamp page citations and detailed cross-references to the previously furnished information.

15. If a question requests the production of copyrighted material, you may provide a list of such material, including the title, publisher, author, edition, and page references relied on or otherwise relevant to the question.

Claim of Privilege

If any document is withheld under any claim of privilege, please provide a list that identifies each document for which a privilege is being claimed, including the date, sender, recipient(s) of the privileged document, recipient(s) of copies of the privileged document, subject matter of the privileged document, and the basis upon which a privilege is being claimed by the Company.

SOAH Docket No. 473-24-13232 PUC Docket No. 56211 OPUC's Fourth Request for Information to CenterPoint Energy Houston Electric, LLC

- **4-1.** Referencing the Company's response to OPUC RFI No. 1-1, please provide detailed support for the value of transformers that were moved from Materials & Supplies ("M&S") to Plant In-Service ("PIS"). Please also provide the percentage of stores overhead applied to the movement of the transformers.
- **4-2.** Referencing the Company's response to OPUC RFI No. 1-2:
 - a. Please provide Journal Entry detail for the entry with Document No. 109386494 in the document OPUC-RF1 No. 1-2 Attachment 1; and
 - b. Please provide the timing of when in Q4 2023 the overhead rates were last updated.
- **4-3.** Referencing the Company's response to OPUC RFI No. 1-3 and GCCC RFI No. 2-17, please explain in detail why it is appropriate to gain a return on a prepayment of 1 day.
- **4-4.** Referencing the Company's response to OPUC RFI No. 1-7:
 - a. Please provide the year end Retirement Work In-Process ("RWIP") balance as of 2020, 2021, 2022, and 2023;
 - b. Please provide a copy of CenterPoint's capitalization policy that details the treatment of RWIP;
 - c. Please indicate, with regard to the \$152 million of RWIP, how much of that work is currently in the process of being actively retired as of 12/31/2023;
 - d. Please provide a reconciliation of the \$152 million of RWIP by functionalization plant account; and
 - e. Please provide a description for each order type included in the Company's Response to OPUC RFI No. 1-7 at Attachment 1:

1.	CA30,	8. HLC2,	15. HSC3,
2.	FL04,	9. HLC3,	16, HTC2,
3,	HBC1,	10. HMC2,	17. HTC3,
4.	HDC2,	11. HMC3,	18. HXC1,
5.	HDC3,	12. HRC2,	19. HXC2,
6.	HDCT,	13. HRC3,	20. HXC3, and
7.	HDG2,	14. HSC2,	21. HXCT.

- **4-5.** Referencing the Company's response to OPUC RFI No. 1-5, Please provide an explanation of the Company's understanding of "cost free capital." Please further explain how funds received from customers do not qualify as "cost free capital?"
- **4-6.** Referencing the Company's response to OPUC RFI No. 1-8, of the projects included in the rate base amount for Plant Held for Future Use ("PHFU"), please indicate what projects, if any, were included in the PFHU in the calculation of rate base in last rate case.

SOAH Docket No. 473-24-13232 PUC Docket No. 56211 OPUC's Fourth Request for Information to CenterPoint Energy Houston Electric, LLC

- **4-7.** Referencing the Company's response to OPUC RFI No. 1-9, if Capital Work In-Process ("CWIP") isn't included in rate base for base rate recovery, please explain in detail why the capital structure included in the revenue requirement should include CWIP?
- **4-8.** Does the Company charge Allowance for Funds Used During Construction ("AFUDC") to its capital projects prior to them being in-service? Please provide the AFUDC rate for 2023 and the supporting calculation in functioning Microsoft Excel format with formula intact.
- **4-9.** If the Company funds CWIP with long term debt, as mentioned in the response to OPUC RFI No. 1-9, please explain in detail why it would be appropriate to charge AFUDC to capital projects?
- **4-10.** Referencing the Attachment included in the Company's response to OPUC RFI No. 1-13, please provide details of the nature of the advertising that was purchased. Please include these in categories of different types of advertising, such as hiring, energy efficiency, customer rates, safety, etc.

Date: May 20, 2024

Respectfully submitted,

Courtney K. Hjältman

Chief Executive & Public Counsel

State Bar No. 24070294

Sharbel A. Sfeir

Assistant Public Counsel

State Bar No. 24071204

Justin Swearingen

Senior Assistant Public Counsel

State Bar No. 24096794

Chris Ekoh

Deputy Public Counsel

State Bar No. 06507015

1701 N. Congress Avenue, Suite 9-180

P.O. Box 12397

Austin, Texas 78711-2397

512-936-7500 (Telephone)

512-936-7525 (Facsimile)

sharbel.sfeir@opuc.texas.gov (Service)

justin.swearingen@opuc.texas.gov (Service)

chris.ekoh@opuc.texas.gov (Service)

opuc eservice@opuc.texas.gov (Service)

ATTORNEYS FOR THE OFFICE OF PUBLIC UTILITY COUNSEL

CERTIFICATE OF SERVICE

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

I hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 20th day of May 2024 by facsimile, electronic mail, and/or first class, U.S. mail.

Sharbel A. Sfeir