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**SOAH DOCKET NO. 473-24-13232
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APPLICATION OF CENTERPOINT	§	BEFORE THE STATE OFFICE
ENERGY HOUSTON ELECTRIC, LLC	§	OF
FOR AUTHORITY TO CHANGE	§	ADMINISTRATIVE HEARINGS
RATES	§	

DIRECT TESTIMONY

OF

KYRA COYLE

ON BEHALF OF THE

OFFICE OF PUBLIC UTILITY COUNSEL

June 19, 2024

**SOAH DOCKET NO. 473-24-13232
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DIRECT TESTIMONY OF KYRA COYLE

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LIST OF ACRONYMS

Acronym	Description
ADIT	Accumulated Deferred Income Tax
AFSI	Adjusted Financial Statement Income
A&G	Administrative and General
BOD	Board of Directors
CAMT	Corporate Alternative Minimum Tax
EEI	Edison Electric Institute
EPIS	Electric Plant in Service
ERCOT	Electric Reliability Council of Texas
FERC	Federal Energy Regulatory Commission
GAAP	Generally Accepted Accounting Principles
IR	Investor Relations
IRA	Inflation Reduction Act
IRS	Internal Revenue Service
LTI	Long Term Incentive
M&S	Materials and Supplies
OH	Overhead
O&M	Operations and Maintenance
OPUC	Office of Public Utility Counsel
PUCT	Public Utility Commission of Texas
RFI	Request for Information
RFP	Rate Filing Package
RWIP	Retirement Work in Progress
TCOS	Transmission Cost of Service
TCRF	Transmission Cost Recovery Factor
USOA	Uniform System of Accounts

1 **I. INTRODUCTION AND QUALIFICATIONS**

2 **Q. PLEASE STATE YOUR NAME, OCCUPATION, AND BUSINESS ADDRESS.**

3 A. My name is Kyra Coyle, and my business address is 225 Union Boulevard, Suite 450,
4 Lakewood, Colorado, 80228. I am employed by NewGen Strategies and Solutions, LLC
5 ("NewGen") as a Senior Manager in the Energy Practice. NewGen is a consulting firm
6 that specializes in utility rates, engineering economics, financial accounting, asset
7 valuation, appraisals, and business strategy for electric, natural gas, solid waste, water, and
8 wastewater utilities.

9 **Q. ON WHOSE BEHALF ARE YOU PRESENTING TESTIMONY IN THIS**
10 **PROCEEDING?**

11 A. I am presenting testimony on behalf of the Office of Public Utility Counsel ("OPUC").

12 **Q. PLEASE OUTLINE YOUR EDUCATIONAL AND PROFESSIONAL**
13 **BACKGROUND.**

14 A. I have a Bachelor of Arts in Business Administration with an emphasis in Accounting from
15 Dakota Wesleyan University. I have nearly 20 years of experience in the utility, mining,
16 and public accounting sectors. I specialize in utility revenue requirement, financial
17 projections, strategic planning, regulatory affairs, expert witness services, other economic
18 analyses, and revenue projections.

19 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?**

20 A. No, this is my first appearance before the Public Utility Commission of Texas ("PUC"
21 or "Commission"); however, I have testified before other state commissions on utility

ratemaking matters. My resume and a record of my testimony in other jurisdictions is included as Attachments KJC-1 and KJC-2.

II. PURPOSE AND SCOPE

Q. WHAT IS THE PURPOSE AND SCOPE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. The purpose of my testimony is to present my findings and recommendations with respect to the application of CenterPoint Energy Houston Electric, LLC (“CEHE” or “the Company”) for authority to change rates. More specifically, my testimony addresses issues regarding CEHE’s proposed revenue requirement and the proposed Rider Inflation Reduction Act (“IRA”).

Q. IF YOU DO NOT ADDRESS AN ISSUE OR POSITION IN YOUR TESTIMONY, SHOULD THAT BE INTERPRETED AS SUPPORTING THE COMPANY'S POSITION ON THAT ISSUE?

A. No. If the Company's proposed revenue requirement or a particular cost or adjustment is not addressed in my testimony, it does not indicate my acquiescence to CEHE's position on those issues.

III. RATEMAKING STANDARDS

Q. PLEASE EXPLAIN THE PURPOSE OF A GENERAL RATE REVIEW PROCEEDING.

A. The purpose of a general rate review proceeding is to establish just and reasonable rates. To accomplish this, a commission must assess the relationship between the revenues a

1 utility is receiving from its customers through the authorized rates the utility is charging
2 and the prudent costs the utility is incurring to provide those services, including a
3 reasonable return on its investment. This assessment is made through a revenue
4 requirement study. A utility first determines a representative “test year” which consists of
5 12 months of recent actual operational and financial data. It then adjusts the actual data to
6 reflect reasonable changes to better reflect the costs and revenues during the future period
7 when the new rates will be in effect.

8 **Q. WHAT DOES A COMMISSION CONSIDER WHEN ESTABLISHING RATES?**

9 A. The most common objective is to ensure that rates will allow the utility to provide safe,
10 adequate, and reliable service at just and reasonable rates.¹ In other words, there is a need
11 for the utility to receive enough revenue to pay its creditors and earn a reasonable amount
12 of return to satisfy investors, all while providing service at a level that meets or exceeds
13 industry standards. Expenses are expected to be reasonable and supportable while
14 investments are to be necessary and prudent. The return, according to historical legal
15 precedent, is to be comparable to that of utilities with comparable risk and should be
16 adequate to allow for the attraction of needed capital. Finally, rates are to be
17 non-discriminatory for similarly situated customers or customers with similar
18 characteristics; although, there is no prohibition against having different rates for different
19 types or classes of customers.²

20 **Q. PLEASE EXPLAIN JUST AND REASONABLE RATES.**

¹ See Public Utility Regulatory Act (“PURA”) § 36.003.

² *Id.*

1 A. Just and reasonable rates have two principal traits: (1) the rates reflect the costs of an
2 efficient and prudent utility, and (2) the rates allow a prudent utility a reasonable
3 opportunity to earn a rate of return that allows for the attraction of capital necessary to
4 provide safe and reliable service and that is commensurate to the return of firms with
5 similar risk.³ Just and reasonable rates will permit a utility to both maintain its financial
6 integrity and provide safe, adequate, and reliable service. A commission must exercise
7 reasoned judgment in setting rates because ratemaking is a legislative function and is not
8 an exact science. Courts have held that “[u]nder the statutory standard of ‘just and
9 reasonable’ it is the result reached not the method employed which is controlling.”⁴ Under
10 the just and reasonable standard, commissions have the primary responsibility for
11 balancing the financial integrity of the utility through earning a reasonable return and the
12 public interest in setting rates that reflect the cost of service rendered.⁵ While the
13 commission-authorized rate of return is a return that the utility has a reasonable opportunity
14 to realize, it is not a rate of return that the utility is guaranteed to realize.

15 **Q. PLEASE EXPLAIN HOW RATES ARE SET.**

16 A. A commission establishes rates to recover the utility’s revenue requirement as determined
17 by using an appropriate test year and adjustments.⁶ The revenue requirement is the total

³ *Bluefield Water Works v. Pub. Serv. Comm’n*, 262 U.S. 679 (1923); *Fed. Power Comm’n v. Hope Nat. Gas Co.*, 320 US 591 (1944).

⁴ *Fed. Power Comm’n v. Hope Nat. Gas Co.*, 320 US 591, 602 (1944).

⁵ See PURA § 36.051.

⁶ See PURA § 36.112.

cost (including the utility's opportunity to earn a fair rate of return) necessary to provide safe and reliable service to customers. The revenue requirement formula is:

$$\text{Revenue requirement} = E + r(RB)^7$$

Where:

$$E = \text{Expenses} = O + D + T$$

- O = operating expenses, including wages and salaries, administrative expenses, taxes other than income taxes, fuel costs, and various maintenance expenses;
- D = annual depreciation expenses;
- T = income taxes (state and federal);

r = rate of return (return on bonds, preferred stock, and common stock [equity]);

$$RB = \text{Rate base} = v - d$$

- v = (1) plant In-Service costs plus (2) Working capital (cash working capital + materials and supplies); and
- d = accumulated depreciation, accumulated deferred income taxes, and other rate base items.

The result of this calculation, the Revenue Requirement, is the amount that a utility needs to collect from customers to cover its costs and provide a reasonable return to its investors.⁸ A class cost of service study then determines the portion of the Revenue Requirement to be recovered from each customer class, so each customer class pays its proportional share of the overall costs of providing service.⁹ Once the costs have been assigned to each class, the individual rate elements for each customer rate class are

⁷ See TAC § 25.231

⁸ *Id.*

⁹ *Id.*

1 determined with the goal of collecting each class's share of the cost of providing service
2 from the rates charged to the customers within that rate class. It is incumbent on a
3 commission, when determining what is a just and reasonable rate, to consider only
4 evidentiary facts, calculations, and reasonable adjustments to reflect the actual costs of
5 providing service when rates go into effect. Each adjustment should also account for any
6 attendant impacts. As an example: making an adjustment to add Plant in Service would
7 increase rate base for the plant addition, reduce rate base for the associated accumulated
8 depreciation and Accumulated Deferred Income Tax ("ADIT"), and increase expenses for
9 the depreciation expense and property tax.

10 IV. SUMMARY OF FINDINGS AND RECOMMENDATIONS

11 **Q. PLEASE BRIEFLY DESCRIBE CEHE'S APPLICATION UPON WHICH YOU**
12 **ARE PROVIDING ANALYSIS AND RECOMMENDATIONS AS IT RELATES**
13 **TO THE COMPANY'S REVENUE REQUIREMENT.**

14 A. CEHE filed its Application with the Commission on March 6, 2024. In this Application
15 the Company requested to increase customer base rates to recover approximately
16 \$17 million for service to all retail customers, excluding Transmission Cost Recovery
17 Factor ("TCRF") and rate case expenses, as well as an increase of approximately
18 \$43 million for wholesale transmission service.¹⁰ The Company's proposal, if accepted by
19 the Commission, would result in an overall rate increase for a residential customer using

¹⁰ Application of CenterPoint Energy Houston Electric, LLC for Authority to Change Rates at 20 (Mar. 6, 2024). (Application.).

1 1,000 kilowatt-hours (“kWh”) per month of approximately \$1.25 per month.¹¹ A retail
2 customer with a plan that charges \$17.67 cents/kWh would see their rate go to \$17.79 cents
3 per kWh, or a 0.71% increase in their total bill.¹² The Company’s revenue requirement
4 calculations are based upon a 12-month historic test year ending December 31, 2023.¹³
5 The Company’s Application requests \$3,772,500,409 in total adjusted annual revenue
6 requirement.¹⁴

7 On May 22, 2024, the Company filed an update to its original Application called
8 the Errata 2 filing. In the Errata 2 filing, the Company updated the base rate increase to
9 approximately \$15 million for service to all retail customers excluding TCRF.¹⁵ This was
10 a reduction of approximately \$2 million from the previously requested \$17 million
11 increase. Updating the base rate increase in the Errata 2 filing changed the overall rate
12 impact for residential customers using 1,000 kwh per month to approximately \$1.17 per
13 month, or a 0.66% increase.¹⁶ The Errata 2 filing requested a total adjusted annual revenue
14 requirement of \$3,769,635,095.¹⁷

15 **Q. DOES OPUC SUPPORT THE REVENUE REQUIREMENT PROPOSED BY THE**
16 **COMPANY IN ITS APPLICATION?**

¹¹ *Id.*

¹² *Id.*

¹³ Application at 25.

¹⁴ Direct Testimony of Kristie L. Colvin, Exhibit KLC-07 (Mar. 6, 2024). (Colvin Direct).

¹⁵ CenterPoint Energy Houston Electric, LLC’s Errata 2 Filing (May 22, 2024). (Errata 2 Filing).

¹⁶ Errata 2 Filing at 6.

¹⁷ Errata 2 Filing at 18.

1 A. No. OPUC is recommending adjustments to the Company's revenue requirement
2 calculations resulting in a new total adjusted annual revenue requirement of
3 \$3,699,706,750 as shown in Attachment KJC – 3 OPUC RFP Schedules, Schedule I-A-I,
4 Line No. 17.

5 **Q. HOW DOES YOUR RECOMMENDATION DIFFER FROM THE COMPANY'S?**

6 A. If accepted by the Commission, the recommendations in my testimony would result in a
7 total adjusted revenue requirement that is approximately \$70 million lower than the
8 Company's recommended total adjusted annual revenue requirement in the Errata 2 filing.
9 The individual adjustments I made to the Company's revenue requirement calculation to
10 arrive at my proposed reduction to the Company's revenue requirement are explained later
11 in my testimony and can be found in my revenue requirement workpapers.

12 **V. OPUC REVENUE REQUIREMENT STUDY**

13 **Q. PLEASE SUMMARIZE THE IMPACTS OF THE OPUC REVENUE**
14 **REQUIREMENT STUDY ON THE COMPANY'S REQUESTED REVENUE**
15 **REQUIREMENT.**

16 A. I am recommending adjustments to the Company's requested costs in:

17 a. Rate Base:

- 18 ○ Total Plant
- 19 ○ Other Rate Base

20 b. Expenses:

- 21 ○ Distribution Expenses
- 22 ○ Transmission Expenses
- 23 ○ Customer Service Expenses

- Administrative and General (“A&G”) Expenses
- Depreciation Expense

c. Flow Through Impacts:

- Depreciation Expense
- Federal Income Taxes

The impacts of my recommendations on the Company’s requested revenue requirement are summarized in Table KJC-1.

Table KJC-1
OPUC's Summary of Recommended Changes (in 000's)

	Company's Errata 2	OPUC's Recommendation	Variance
Rate Base			
Total Plant	\$17,795,166	\$17,614,267	(\$180,899)
Accumulated Depreciation	(\$4,404,443)	(\$4,404,443)	\$-
Other Rate Base Items	(\$1,284,870)	(\$1,363,149)	(\$78,279)
Total Rate Base	\$12,105,853	\$11,846,675	(\$259,178)
Return on Rate Base	\$851,238	\$833,013	(\$18,224)
Expenses			
Operating & Maintenance Expenses	\$1,946,446	\$1,902,357	(\$44,089)
Depreciation and Amortization	\$583,162	\$578,765	(\$4,397)
Taxes Other Than Federal Income Tax	\$329,581	\$329,581	\$-
Federal Income Tax	\$132,484	\$129,267	(\$3,217)
Total Expenses	\$2,991,674	\$2,939,970	(\$51,704)
Other Revenues	\$73,277	\$73,277	\$-
Total Adjusted Revenue Requirement	\$3,769,635	\$3,699,707	(\$69,928)

A. Rate Base Adjustments

Q. PLEASE SUMMARIZE THE ADJUSTMENTS THAT OPUC MADE TO THE COMPANY'S RATE BASE CALCULATION.

A. OPUC recommends adjustments to various components of the rate base calculations as a result of Request for Information ("RFI") responses received from the Company. These adjustments impact the calculations of Total Plant and Other Rate Base Items.

Q. PLEASE DESCRIBE OPUC'S RECOMMENDED CHANGES TO TOTAL PLANT.

A. I have three recommended changes to the Company's proposed Total Plant, resulting in a reduction of \$180,889,161. These adjustments include:

- Adjustment for the over-capitalization of Materials and Supplies ("M&S") Overhead ("OH") for a reduction of approximately \$17.6 million;
- Adjustment to recognize the removal of assets for costs that are currently sitting in Retirement Work in Progress ("RWIP") for a reduction of approximately \$152 million; and
- Adjustment to increase the capitalization of transportation expenses for an increase of approximately \$7.7 million.

Q. PLEASE EXPLAIN THE ADJUSTMENT FOR THE OVER-CAPITALIZATION OF M&S OH.

A. As shown in Attachment KJC-4 Rate Base Adjustment xmfr PIS adj, the over-capitalization of M&S OH results in approximately \$17.6 million of additional costs being moved to Electric Plant in Service ("EPIS") than there should have been. In her direct testimony, Kristie L. Colvin highlights a change that was made to the M&S to move

1 the line transformers and meters to EPIS in December 2023. This movement occurred to
2 properly reflect the capitalization of line transformers and meters in accordance with the
3 Federal Energy Regulatory Commission ("FERC") Uniform System of Accounts
4 ("USOA").¹⁸ As a result of the transfer from M&S to EPIS, the balance of FERC Account
5 163 (undistributed M&S expense) had a swing of \$18,977,084 from November to
6 December 2023 and resulted in a year-end credit balance in the account of \$18,849,562.¹⁹
7 When the Company was asked for detailed support of the movement of line transformers
8 and the associated M&S OH rate that was applied to the movement to EPIS, the Company
9 provided a total line transformer value of \$94,668,415 and an M&S OH rate of 18.57%.²⁰
10 To calculate the over-capitalization impact of FERC Account 163, the \$94,668,415 was
11 multiplied by the 18.57%, resulting in \$17,579,925 of excess costs from FERC Account
12 163 being moved to EPIS.

13 FERC Account 163 holds the Company's costs incurred in the ordinary course of
14 business for staffing and operating inventory warehouses. These costs are accumulated
15 and are utilized to determine the OH rates that are charged to projects that incur costs for
16 materials and supplies. The Company states that the M&S OH rates are adjusted at least
17 quarterly and that any OH residual will reside in the account until it is offset with future
18 residuals.²¹ A credit balance in Account 163 of approximately \$18.8 million will take some

¹⁸ Colvin Direct at 36:18-22.

¹⁹ CenterPoint Energy Houston Electric, LLC's Response to the Office of Public Utility Counsel First Requests for Information, Question No. OPUC 1-01 (May 8, 2024).

²⁰ CenterPoint Energy Houston Electric, LLC's Response to the Office of Public Utility Counsel Fourth Requests for Information, Question No. OPUC 4-01 (Jun. 5, 2024).

²¹ CenterPoint Energy Houston Electric, LLC's Response to the Office of Public Utility Counsel First Requests for Information, Question No. OPUC 1-02 (May 8, 2024).

1 time to roll off as the average month-end balance from December 2022 through November
2 2023 is less than \$2 million.²² The time that it takes for this credit balance to roll off will
3 provide benefit to future projects as the OH rate will either be zero until the account balance
4 grows above zero dollars or could potentially be a credit if the Company updates the OH
5 rate to include this large credit. The projects that are included in this case for recovery
6 should be the projects that are adjusted to bring this account balance back within a
7 reasonable range. While Account 163 and plant in service are both components of rate
8 base, a change to the plant in service accounts will have further impacts in the calculation
9 of the revenue requirement, primarily through a depreciation expense adjustment. Due to
10 the impact to the revenue requirement in this case, primarily through depreciation, I
11 recommend an adjustment to EPIS account 36801 in the amount of \$17,579,925.

12 **Q. PLEASE EXPLAIN THE ADJUSTMENT FOR THE REMOVAL OF ASSET**
13 **COSTS DUE TO RWIP.**

14 A. In the Company's application, it included \$152,000,023 of RWIP in the overall calculation
15 of accumulated depreciation, ultimately increasing the requested net plant. The inclusion
16 of the \$152 million of RWIP in the total accumulated depreciation in the Application
17 increases the requested return of the Company by approximately \$10.7 million.²³
18 However, RWIP is used to accumulate costs of projects that are currently in the process of
19 being retired and will no longer be used and useful for customers. Therefore, if the balance
20 of RWIP is going to be included in the calculation of claimed rate base in this case, a

²² Application at 3122, Schedule II-B-8, Line Nos. 27-38.

²³ $(\$15,000,023 \times 7.03\%) = \$10,685,602$.

1 corresponding adjustment should be made to EPIS to remove them from the cost of service.
2 The RWIP adjustment to EPIS will have a flow through impact to the depreciation expense
3 included in the revenue requirement.

4 To determine the FERC accounts used to offset the RWIP balance, an RFI was
5 issued to the Company to request details supporting the RWIP value of \$152 million.²⁴
6 After analyzing the data, I recommend the adjustments shown in Attachment KJC-3 OPUC
7 RFP Schedules as summarized below:

Table KJC-2
OPUC's Changes to EPIS for RWIP

FERC Account	Adjustment Amount
35401 – Transm. Towers and Fixtures	\$123,916,653 ²⁵
36201 – Dist. Station Equipment	\$24,210,354 ²⁶
36401 – Dist. Poles, Towers and Fixtures	\$18,954,448 ²⁷
36701 – Dist. UG Conductors and Devices	\$1,637,745 ²⁸
37001 – Dist. Meters	\$55,842 ²⁹
37301 – Dist. Lights	\$317,555 ³⁰
39201 – Gnrl. Transportation Equip.	(\$759,991) ³¹
39701 – Communication Equip.	\$2,637,894 ³²
Total Adjustment	\$170,970,501

²⁴ CenterPoint Energy Houston Electric, LLC's Response to the Office of Public Utility Counsel First Requests for Information, Question No. OPUC 1-07 (May 8, 2024).

²⁵ Workpaper KJC-1 OPUC RFP Workpapers B, WP II-B-1, Line No. 15.

²⁶ Workpaper KJC-1 OPUC RFP Workpapers B, WP II-B-1, Line No. 28.

²⁷ Workpaper KJC-1 OPUC RFP Workpapers B, WP II-B-1, Line No. 29.

²⁸ Workpaper KJC-1 OPUC RFP Workpapers B, WP II-B-1, Line No. 32.

²⁹ Workpaper KJC-1 OPUC RFP Workpapers B, WP II-B-1, Line No. 35.

³⁰ Workpaper KJC-1 OPUC RFP Workpapers B, WP II-B-1, Line No. 38.

³¹ Workpaper KJC-1 OPUC RFP Workpapers B, WP II-B-2, Line No. 7.

³² Workpaper KJC-1 OPUC RFP Workpapers B, WP II-B-3, Line No. 2.

1 The total recommended adjustment to EPIS for RWIP is higher than the new
2 balance in the account due to the amount of salvage value included in the account. The total
3 salvage value included in RWIP balance is \$18,970,477. As the salvage value is not
4 provided in more detail, a recommended adjustment to EPIS cannot be made, and instead
5 is remaining in the RWIP account and included in the overall value of accumulated
6 depreciation.

7 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO INCREASE THE**
8 **CAPITALIZATION OF TRANSPORTATION EXPENSES.**

9 A. According to the FERC USOA, transportation costs should be included in the original cost
10 of plant if the cost is incurred to transport employees, M&S, tools, purchased equipment,
11 and other work equipment to and from points of construction.³³ In the Company's
12 application, they have included 94% of the transportation expenses in Operations and
13 Maintenance ("O&M") and only 6% to clearing accounts to be included in the Company's
14 assets.³⁴ However, the Company has capitalized approximately 54% of its direct employee
15 wages.³⁵ As the transportation costs should be included in the original cost of plant
16 associated with transporting employees and employees are spending approximately 54%
17 of their time completing capital projects, approximately 54% of the transportation costs
18 should be included in capital projects. Therefore, I am recommending an adjustment to
19 increase EPIS in the value of \$7,651,265 and a corresponding reduction to O&M expense.
20 To determine the EPIS accounts to increase for the capitalization of transportation

³³ 7 Code of Federal Regulations ("C.F.R.") § 1767.16(c)(4) (2008).

³⁴ Workpaper KJC-3, OPUC RFP Workpapers D, WP OPUC II-D-1, Adj 2.

³⁵ Application at 3319, WP II D-3, Adj 1 (1.0-46.05% = 53.95% capitalized labor).

1 expenses, I utilized the same allocation percentage by FERC account that the Company
2 included in its determination of total transportation expenses. The increase to EPIS by
3 FERC account from my recommended adjustment is as follows:

Table KJC-3
OPUC's Changes to EPIS for Transportation Expense Capitalization

EPIS FERC Account	Adjustment Amount
35401 – Transm. Towers and Fixtures	\$1,501,240 ³⁶
36201 – Dist. Station Equipment	\$5,259,792 ³⁷
39801 – Miscellaneous Equipment	\$890,233 ³⁸
Total Adjustment	\$7,651,265

4
5 **Q. PLEASE DESCRIBE OPUC'S RECOMMENDED CHANGES TO OTHER RATE**
6 **BASE ITEMS.**

7 A. I have five recommended changes to the Company's proposed Other Rate Base Items,
8 resulting in a reduction to rate base of \$78.279 million. These adjustments include:

- 9 • Adjustment to M&S to reduce the monthly inventory balances for the values that
10 should have been capitalized for line transformers, resulting in a reduction of
11 approximately \$37.2 million;
- 12 • Adjustment to FERC Account 163 for the line transformer adjustment discussed in
13 the Total Plant section, resulting in an increase of approximately \$1.4 million;³⁹

³⁶ Workpapers, KJC-1 OPUC RFP Workpapers B, WP II-B-1, Line No. 15.

³⁷ Workpapers KJC-1 OPUC RFP Workpapers B, WP II-B-1, Line No. 28.

³⁸ Workpapers KJC-1 OPUC RFP Workpapers B, WP II-B-2, Line No. 16.

³⁹ Workpapers KJC-1 OPUC RFP Workpapers B, WP II-B-8, Line No. 41.

- Adjustment to Other Taxes in Prepaids to remove the prepayment of one day for Franchise Fees for a reduction of approximately \$4.6 million;⁴⁰
- Adjustment to Prepay Other in Prepaids to remove various items included in the calculation for a reduction of approximately \$0.9 million;⁴¹ and
- Removal of the Company's adjustment to the Customer Advances Construction balance for a reduction of approximately \$37.0 million.⁴²

Q. PLEASE EXPLAIN THE ADJUSTMENT TO M&S FOR THE LINE TRANSFORMER CAPITALIZATION.

A. As discussed earlier in my testimony, in December 2023 the Company moved a balance from M&S to EPIS for the appropriate recognition of line transformers and meters. To ensure an accurate M&S balance was included in rate base, an adjustment of \$37.2 million was made.

In the Company's filing, it attempted to correct this adjustment in the M&S balances for the 13 months included in the rate base calculation for M&S.⁴³ Through RFIs issued by OPUC, the Company discovered that an *error* was made in its filing for the calculation of the impact included in this adjustment that should result in an additional rate base reduction of \$13.9 million.⁴⁴ However, the attachment provided by the Company

⁴⁰ Workpapers KJC-1 OPUC RFP Workpapers B, WP II-B-10, Line Nos. 28-42.

⁴¹ Workpapers, KJC-1 OPUC RFP Workpapers B, WP II-B-10, Line Nos. 49-63.

⁴² Workpapers, KJC-1 OPUC RFP Workpapers B, WP II-B-11, Line No. 8.

⁴³ M&S are included in rate base with a 13-month average balance for the months of December 2022 through December 2023.

⁴⁴ CenterPoint Energy Houston Electric, LLC's Response to the Office of Public Utility Counsel Fourth Requests for Information, Question No. OPUC 4-01 (Jun. 5, 2024).

1 supporting this response shows that the Company had a total of approximately
2 \$94.7 million of line transformers that were moved from M&S to EPIS.⁴⁵ When I
3 compared the \$94.7 million to the updated monthly adjustments provided by the Company,
4 the monthly adjustments never reached the \$94.7 million. In fact, the monthly average
5 adjustment for the 13 months was only \$64.2 million. To ensure that the full impact of the
6 line transformers was removed from the M&S calculation for rate base, I changed the
7 adjustment value each month to equal the approximately \$94.7 million amount for the
8 months of December 2022 through November 2023. December 2023 did not require an
9 adjustment as that is the month in which the Company moved the balances to EPIS, and
10 the ending balance was already impacted by the movement of the line transformers. The
11 end result of this change is a decrease in the 13-month average balance of M&S of
12 approximately \$37.0 million.

13 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO FERC ACCOUNT 163 FOR THE**
14 **PREVIOUSLY DISCUSSED EPIS ADJUSTMENT.**

15 A. As discussed earlier in my testimony, the Company overcapitalized the value that was
16 moved from Account 163 to EPIS. This left Account 163 with a credit balance of
17 approximately \$18.8 million. As the over capitalization impacts the calculation of
18 depreciation expense and the overall revenue requirement, a corresponding adjustment of
19 the EPIS impact needs to be made to Account 163, which would result in an increase to
20 rate base of approximately \$1.4 million. Account 163 is included in rate base at a
21 13-month average, so the recommended adjustment to EPIS and Account 163 result in

⁴⁵ Attachment KJC – 4, Rate Base Adjustment xmf PIS Adj.

1 different overall impacts to the claimed rate base. The adjustment results in an increase to
2 claimed rate base of \$1,352,302.

3 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OTHER TAXES THAT ARE**
4 **INCLUDED IN PREPAIDS.**

5 A. In its filing, the Company included a balance for other taxes in the prepaid section of
6 approximately \$4.6 million as an increase to its claimed rate base. The values included in
7 other taxes are for the payment of monthly franchise fees paid by the Company. The
8 Company stated that the franchise fees are due on the first of the month, and when the first
9 falls on a weekend or holiday, the franchise fees are paid before the due date, resulting in
10 a prepayment.⁴⁶ When the Company was asked about the appropriateness of including the
11 prepayment of franchise fees in the calculation of prepaids in claimed rate base, the
12 Company stated that the Rate Filing Package (“RFP”) General Instructions allow for
13 prepaids to be included in rate base utilizing a 13-month average balance for the test year.⁴⁷
14 However, as the franchise fees are paid by customers, it is inappropriate for the prepayment
15 of franchise fees to be included in the calculation of claimed rate base. Therefore, I
16 recommend that the values included in the calculation of prepaids not include the
17 prepayment of franchise fees. The removal of franchise fees from the calculation of
18 prepayments results in a rate base reduction of approximately \$4.6 million.⁴⁸

⁴⁶ CenterPoint Energy Houston Electric, LLC’s Response to Gulf Coast Coalition of Cities Second Requests for Information, Question No. GCCC 02-17 (Apr. 15, 2024).

⁴⁷ CenterPoint Energy Houston Electric, LLC’s Response to the Office of Public Utility Counsel Fourth Requests for Information, Question No. OPUC 4-03 (Jun. 5, 2024).

⁴⁸ Workpapers, KJC-1 OPUC RFP Workpapers B, WP 11-B-10, Line Nos. 28-42.

1 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO PREPAY OTHER THAT IS**
2 **INCLUDED IN PREPAIDS.**

3 A. In its filing, the Company included a balance for Prepay Other in the prepaid calculation
4 of claimed rate base of approximately \$3.5 million.⁴⁹ The Prepay Other balance includes
5 various prepayments that the Company records and amortizes out on a monthly basis.
6 However, some of those prepaids are for membership dues, leases, or prepayments that
7 only last for one or two months or are associated with a capital project that will eventually
8 be included in customer rates. I am recommending that these prepayments be removed
9 from the calculation as the Company should not be allowed to earn a return on these types
10 of prepaids as they will either be included in rate base in the future or are associated with
11 membership dues. The prepayments I removed from the calculation are for the
12 prepayments of Edison Electric Institute (“EEI”) dues, Itron, Ardmoire Lease, Harborside
13 Lease, Little York Lease, and Oracle.⁵⁰ When these prepayments are removed from the
14 calculation, the total prepay other balance is reduced by approximately \$0.9 million.⁵¹

15 **Q. PLEASE EXPLAIN THE RECOMMENDED ADJUSTMENT TO CUSTOMER**
16 **ADVANCES CONSTRUCTION.**

17 A. In its filing, the Company removed the balance of Customer Advances Construction,
18 ultimately increasing rate base by approximately \$37.0 million.⁵² As the account name
19 denotes, these are funds that are advanced by “customers” and are not funds that the

⁴⁹ Application at 3126, WP II-B-10, Line Nos. 49-63.

⁵⁰ Workpapers, KJC-1 OPUC RFP Workpapers B WP II-B-9b.

⁵¹ Workpapers, KJC-1 OPUC RFP Workpapers B WP II-B-10, Line Nos. 49-63.

⁵² Application at 3127, WP II-B-11, Adj 1, Line No. 4.

1 Company needs to raise equity for or finance. Therefore, these “customer” funds should
2 be included as a reduction to rate base, and the Company should not be allowed to
3 effectively earn a return on these funds. I recommend that the proposed adjustment by the
4 Company be removed, reducing claimed rate base by approximately \$37.0 million.⁵³

5 **B. Expense Adjustments**

6 **Q. PLEASE SUMMARIZE THE ADJUSTMENTS THAT OPUC MADE TO THE**
7 **COMPANY’S REQUESTED RECOVERY OF EXPENSES.**

8 A. OPUC recommends various adjustments to the Company’s requested expense recovery,
9 resulting in an expense reduction of approximately \$44.8 million. These adjustments
10 impact the calculation of total expenses for the distribution function, transmission function,
11 Customer Service, and A&G expenses. In total, OPUC is recommending seven expense
12 adjustments to the Company’s revenue requirement. The seven adjustments are:

- 13 • A corresponding adjustment to O&M for the capitalization of transportation costs
14 discussed earlier for an expense reduction of approximately \$7.7 million;⁵⁴
- 15 • Removal of a portion of investor relation expenses for an expense reduction of
16 approximately \$0.5 million;⁵⁵
- 17 • Removal of stock compensation for the Board of Directors (“BOD”) for an expense
18 reduction of approximately \$0.7 million.;

⁵³ Workpapers, KJC-1 OPUC RFP Workpapers B WP II-B-11, Line No. 4.

⁵⁴ OPUC WP II-D-1, Adj 2.

⁵⁵ Attachment KJC-5, Investor Relations adjustment.

- Removal of severance pay in the test year for leadership positions that have been removed for an expense reduction of approximately \$1.2 million;
- Removal of Long-Term Incentive (“LTI”) expenses associated with financial metrics for an expense reduction of approximately \$6.9 million;
- An adjustment of vegetation management expenses to a 5-year average expense for an expense reduction of approximately \$12.1 million; and
- An adjustment for the Company’s requested level of property loss funding for an expense reduction of approximately \$9.4 million.

The recommended adjustments impact various expense accounts totaling an expense reduction of approximately \$44.8 million. The impact by expense category is summarized as follows:

Table KJC-4
OPUC's Summary of Expense Adjustments by FERC Account

O&M Expenses	Company's Errata 2	OPUC's Recommendation	Variance
Transmission Exp. (560–573)	\$1,458,934,154	\$1,450,522,889	(\$8,411,265)
Distribution Exp. (581–590)	\$225,504,305	\$209,005,148	(\$16,499,157)
Customer Svc. (902–910)	\$20,709,440	\$20,528,572	(\$180,868)
Sales Exp.	\$-	\$-	\$-
A&G Exp. (920–935)	\$241,298,250	\$221,632,084	(\$19,666,166)
Total O&M Expenses	\$1,946,446,149	\$1,901,688,693	(\$44,757,456)

Q. PLEASE EXPLAIN THE RECOMMENDED ADJUSTMENT TO TRANSPORTATION EXPENSES.

1 A. As previously discussed, the FERC USOA states that transportation costs should be
2 included in the original cost of plant if the cost is incurred to transport employees, M&S,
3 tools, purchased equipment, and other work equipment to and from points of construction.
4 As an adjustment was made to EPIS as part of claimed rate base, this adjustment is the
5 corresponding expense adjustment. This adjustment reduces transportation expenses by
6 approximately \$7.7 million, as shown in Table KJC-3. The impact by FERC account is
7 shown in Workpapers KJC-3 OPUC RFP Workpapers D, WP II-D-1 Adj 2.

8 **Q. PLEASE EXPLAIN THE RECOMMENDED ADJUSTMENT TO REMOVE A**
9 **PORTION OF INVESTOR RELATION EXPENSES.**

10 A. In the Company's Application, it has requested recovery of approximately \$1.0 million of
11 expenses associated with the Investor Relations ("IR") function. The primary role of the
12 IR function is to increase and sustain investor and stakeholder confidence in the Company.
13 If the IR function is executed properly, they assist in sustaining or growing the stock price
14 of the Company. As the IR function focuses primarily on the Company's external
15 stakeholders, a portion of its associated expenses should be borne by Shareholders. I
16 recommend a reduction of the amount of IR expenses included in the revenue requirement
17 equal to the requested equity portion of the Company's capital structure. The Company
18 has requested an equity percentage of 44.9% in its capital structure; therefore, I recommend
19 a 44.9% reduction to the expenses associated with the IR function. This adjustment results
20 in an expense reduction of \$461,686 to FERC Account 930.2.⁵⁶

⁵⁶ Attachment KJC – 5, Investor Relations Adjustment.

1 **Q. PLEASE EXPLAIN THE RECOMMENDED ADJUSTMENT TO REMOVE THE**
2 **STOCK COMPENSATION OF THE BOD.**

3 A. In the Company's Application, it has requested recovery of \$731,185 of expenses
4 associated with stock compensation for the board of directors ("BOD").⁵⁷ As stock
5 compensation is focused on the financial goals of the Company and not focused on the safe
6 and reliable delivery of electricity service to customers or customer satisfaction, this
7 expense should be borne by the Shareholders of the Company. As such, I recommend an
8 expense reduction of approximately \$0.7 million to FERC Account 930.2.

9 **Q. PLEASE EXPLAIN THE RECOMMENDED ADJUSTMENT TO SEVERANCE**
10 **PAY EXPENSES.**

11 A. Two positions, Executive Vice President – Utility Operations and Executive Vice President
12 – Customer Transformation and Business Services, were separated from the Company as
13 of January 3, 2023, and resulted in severance pay expenses being recorded in the test year
14 revenue requirement of the Company.⁵⁸ As the severance pay expense is a nonrecurring
15 expense for the Company, the associated severance pay expense should be removed from
16 the revenue requirement.⁵⁹ The severance pay for these two positions resulted in
17 approximately \$1.2 million of expenses to be included in the revenue requirement. I

⁵⁷ CenterPoint Energy Houston Electric, LLC's Response to Houston Coalition of Cities' First Requests for Information, Question No. HCC 1-03 (Apr. 4, 2024).

⁵⁸ CenterPoint Energy Houston Electric, LLC's Response to Houston Coalition of Cities' First Requests for Information, Question No. HCC 1-08 (Apr. 4, 2024); CenterPoint Energy Houston Electric, LLC's Response to Houston Coalition of Cities' First Requests for Information, Revised RFI HCC-RFI01-09R (May 10, 2024).

⁵⁹ See, 16 TAC § 25.231.

1 recommend an expense reduction of \$1,242,972 to FERC Account 930.2 for this
2 nonrecurring expense.

3 **Q. PLEASE EXPLAIN THE RECOMMENDED ADJUSTMENT TO LTI EXPENSES**
4 **ASSOCIATED WITH FINANCIAL METRICS.**

5 A. Similar to the stock compensation of the BOD, the long term incentive (“LTI”) expenses
6 associated with financial metrics are focused on the financial goals of the Company and
7 are for the benefit of the shareholders of CenterPoint Inc.⁶⁰ These financial goals do not
8 focus on the safety and reliability delivery of electricity service to customers or customer
9 satisfaction; as such, this expense should be borne by the Shareholders of the Company.
10 In this case, the Company has requested expense recovery of \$6,938,907 for LTI expenses
11 associated with financial metrics.⁶¹ Therefore, I recommend an expense reduction of
12 approximately \$6.9 million to FERC Account 930.2.

13 **Q. PLEASE EXPLAIN THE RECOMMENDED ADJUSTMENT TO VEGETATION**
14 **MANAGEMENT EXPENSES.**

15 A. In its Application, the Company requests recovery of \$56,010,379 in vegetation
16 management expenses. An attachment that the Company provided as part of an RFI
17 response shows that in 2023 CEHE spent \$13,621,650 more on vegetation management

⁶⁰ See, PURA § 36.067 (explaining that the presumption of reasonableness does not apply to “pension, or other postemployment benefits or incentive compensation for an officer of an electric utility related to attaining financial metrics or metrics adverse to customers’ interests as determined by the Commission.”).

⁶¹ CenterPoint Energy Houston Electric, LLC’s Response to Houston Coalition of Cities’ Second Requests for Information and First Requests for Production, (Excluding Questions HCC-RFI02-06, 02-08, 02-10, 02-11, 02-13, 02-15 and 02-16), Question No. HCC 2-05 (Requesting \$6,789,877) (Apr. 4, 2024); CenterPoint Energy Houston Electric, LLC’s Response to Houston Coalition of Cities’ Second Requests for Information and First Requests for Production, Questions HCC-RFI02-06, 02-08, 02-10, 02-11, 02-13, and 02-15, Question No. HCC 2-08 (Requesting \$58,727 + \$90,303) (Apr. 8, 2024).

1 than it did in 2022, and \$12,059,794 more than it did on average over the last 5 years.⁶² In
2 his direct testimony, Randal M. Pryor discusses CEHE's increases in vegetation
3 management expenses over the last base rate proceeding. Mr. Pryor provides reasons of
4 increased contractor costs and optimal conditions for vegetation growth along with periods
5 of stress to vegetation due to extreme weather conditions from 2019 to 2023.⁶³ However,
6 Mr. Pryor does not provide any support as to why the test year vegetation management
7 expenses resulted in such an increase over the last 5 years, which is the period after the last
8 base rate proceeding. It appears that the Company has overloaded its test year with
9 vegetation management expenses to increase the recovery of said expenses; however, the
10 Company has repeatedly included vegetation management expenses in the deferral and
11 recovery of storm expenses. If the Company were to get recovery of the requested
12 vegetation management expenses, it could result in excess recovery of vegetation
13 management expenses in future years. As such, I recommend an adjustment to the
14 vegetation management expenses in the revenue requirement to be an average of the last
15 5 years of expenses, which is \$43,950,585.⁶⁴ This recommendation results in an expense
16 reduction of approximately \$12.1 million. The \$12.1 million adjustment will impact three
17 FERC accounts. The adjustment by FERC account is as follows:

⁶² CenterPoint Energy Houston Electric, LLC's Responses to Texas Coast Utilities Coalition's Second Requests for Information, Attachment TCUC-RFI02-22 (Apr. 19, 2024).

⁶³ Direct Testimony of Randal M. Pryor at 38:1-9 (Mar. 6, 2024).

⁶⁴ Attachment KJC – 6, Vegetation Management Adjustment.

Table KJC-5
OPUC's Vegetation Management Adjustment

	Company's Errata 2	OPUC's Recommendation	Variance
Vegetation Management Expenses			
593 – Dist. OH Lines	\$45,357,306	\$34,377,937	(\$10,979,369)
591 – Dist. Structures	\$1,246,263	\$986,266	(\$259,997)
571 – Transm. OH Lines	\$9,406,811	\$8,586,382	(\$820,429)
Total Vegetation Management Expenses	\$56,010,380	\$43,950,585	(\$12,059,795)

Q. PLEASE EXPLAIN THE RECOMMENDED ADJUSTMENT TO THE COMPANY'S REQUESTED LEVEL OF PROPERTY LOSS FUNDING.

A. In its Application, the Company requests recovery of \$17,486,333 in property loss funding.⁶⁵ This level of funding was supported by the testimony of Gregory S. Wilson.⁶⁶ In Mr. Wilson's recommendations, he suggests a \$10.6 million annual accrual for O&M expense that is calculated by using a Monte Carlo simulation run on the loss history of the Company. Mr. Wilson also recommends a target reserve of \$16.7 million on the Company's balance sheet. To support the target reserve value of \$16.7 million, Mr. Wilson calculates a value that would be needed to cover the amount of O&M damage expected to result from a 25-year event with total losses under \$100 million.⁶⁷ In the Company's Errata 2 update, the balance sheet reserve of the Company was currently a reserve deficit of \$41,818,759 recorded in FERC account 182.3,⁶⁸ and Mr. Wilson suggests building this

⁶⁵ Application at 3209, WP II-D-2, Adj 9, Line No. 6.

⁶⁶ Direct Testimony of Gregory S. Wilson at 4:22-5:2 (Mar. 6, 2024).

⁶⁷ *Id.* at 10:7-9.

⁶⁸ Errata 2 Filing, WP II-B-7, Line No. 5.

1 reserve up to the \$16.7 million target over 5 years. This recommendation results in an
2 expense value of \$11.74 million annually.⁶⁹ However, if the target reserve value of
3 \$16.7 million is intended to cover Company losses as a result of a 25-year storm, it does
4 not seem appropriate to build the reserve over 5 years, especially when the Company is
5 increasing the O&M expense to cover annual damages by approximately \$5.7 million from
6 the current reserve rate included in customer rates. Therefore, I recommend building up
7 the target reserve to \$16.7 million over the 25 years that are used to determine the future
8 loss value. This recommendation changes the annual reserve value to \$2,340,750 annually
9 instead of Mr. Wilson's recommendation of \$11.74 million annually. The \$2,340,750
10 annual value is calculated by adding the current deficit reserve, \$41,818,759,⁷⁰ and the
11 target reserve value, then dividing by 25 years.⁷¹

12 When calculating the total O&M funding for property loss, the \$2,340,750 is added
13 to Mr. Wilson's recommended annual O&M expense of \$10.6 million, resulting in a total
14 O&M expense of \$12,940,750 to be included in the revenue requirement. The Company's
15 test year included an annual O&M expense of \$4,853,667,⁷² and when compared to the
16 updated O&M expense request, this results in an O&M adjustment of \$8,087,084.⁷³ This
17 results in an expense reduction of \$9,399,250 to FERC Account 924 from the Company's
18 requested value in the revenue requirement.⁷⁴

⁶⁹ Errata 2 Filing, WP II-D-2, Adj 9, Line No. 2.

⁷⁰ *Id.*

⁷¹ $(\$41,818,759 + \$16,700,000) / 25 \approx \$2,340,750$.

⁷² Errata 2 Filing, WP II-D-2, Line No. 5.

⁷³ Workpapers, KJC-3 OPUC RFP Workpapers D, WP II-D-2 Adj 9, Line No. 7.

⁷⁴ *Id.*

1 **C. Flow Through Impacts**

2 **Q. PLEASE EXPLAIN WHAT IS MEANT BY FLOW THROUGH IMPACTS.**

3 A. As previously discussed, when certain adjustments are made to components of the revenue
4 requirement, there are attendant impacts to other sections of the revenue requirement. The
5 calculation of depreciation expense and federal income tax is directly impacted by other
6 sections of the revenue requirement. The flow through impacts to the revenue requirement
7 for changes in depreciation expense and federal income tax expense as a result of all
8 previously discussed adjustments result in a reduction to the overall revenue requirement
9 of approximately \$7.6 million.

10 **Q. PLEASE EXPLAIN THE FLOW THROUGH IMPACT TO DEPRECIATION**
11 **EXPENSE.**

12 A. The recommended adjustments to EPIS reduce the gross plant value that the annual
13 depreciation expense calculation utilizes. As the EPIS is lower than the Company
14 requested, the annual depreciation expense to be included in the revenue requirement is
15 also lower. The flow through impact results in a lower annual depreciation expense of
16 \$4,397,139. No recommendations were made to change the Company's requested
17 depreciation rates.

18 **Q. PLEASE EXPLAIN THE FLOW THROUGH IMPACT TO FEDERAL INCOME**
19 **TAX EXPENSE.**

20 A. All previously discussed adjustments have a flow through impact to the calculation of
21 federal income tax. No distinct adjustments were made to the calculation of federal income
22 taxes, just the flow through impact of the calculation of the Company's net operating

1 income. The flow through impact results in lower federal income taxes in the amount of
2 \$3,217,345.

3 **VI. ERCOT WHOLESALE TRANSMISSION COST OF SERVICE**

4 **Q. HOW WERE THE TRANSMISSION COST OF SERVICE (“TCOS”) SCHEDULES**
5 **UPDATED FOR SECTION III OF THE RFP?**

6 A. I have updated Section III of the RFP for the transmission adjustments that have been
7 previously discussed. When these updates are included in the TCOS calculation, the
8 recommended TCOS is \$701,972,990, including \$342,385,287 of return on capital
9 investments. These values are shown in Attachment KJC-3 OPUC RFP Schedules, Page
10 294, Schedule III-A-1.

11 **VII. INFLATION REDUCTION ACT RIDER**

12 **Q. PLEASE SUMMARIZE THE INFLATION REDUCTION ACT.**

13 A. The primary purpose of the Inflation Reduction Act (“IRA”) was to fight inflation through
14 deficit reductions and to advance climate initiatives. To encourage investments in clean
15 energy and renewable investments, the IRA restored and extended renewable electricity
16 production tax credits and clean energy investment tax credits. It also creates new tax
17 credits designed to incentivize investment in renewable energy. However, to pay for the
18 tax credits, the IRA imposes a new 15% corporate alternative minimum tax (“CAMT”).

19 **Q. PLEASE EXPLAIN HOW THE CAMT IS DETERMINED FOR A COMPANY.**

20 A. The CAMT due is equal to 15% of an entity’s adjusted financial statement income
21 (“AFSI”). AFSI is equal to the taxpayer’s book income or loss prepared in accordance

1 with Generally Accepted Accounting Principles (“GAAP”), with certain limited
2 adjustments, including tax depreciation in lieu of book depreciation.

3 **Q. HOW IS THE CAMT BEING IMPLEMENTED?**

4 A. Companies will now pay a tax equal to the greater of 15% of their AFSI or their regular
5 federal tax liability. However, the CAMT does not ultimately increase a company’s federal
6 income tax expense. The CAMT shifts income taxes that otherwise would be deferred on
7 the balance sheet to be a current payment, ultimately impacting the cash flow metrics of a
8 company.

9 **Q. WHEN DOES THE COMPANY ANTICIPATE BEING SUBJECT TO PAYING**
10 **THE CAMT?**

11 A. The Company is currently subject to the calculation of CAMT; however, they have not yet
12 had to pay a CAMT as the consolidated income tax return for CenterPoint Inc. is expected
13 to pay regular income tax in excess of the CAMT for the 2023 tax year.⁷⁵ CenterPoint Inc.
14 does anticipate paying CAMT starting with the 2024 tax year and moving forward.

15 **Q. ARE CAMT PAYMENTS CREDITABLE AGAINST FUTURE FEDERAL**
16 **INCOME TAXES?**

17 A. Yes. The payment of CAMT generates a carryforward that can be credited against future
18 federal income tax liabilities in the event that the regular federal income tax liability
19 exceeds the CAMT liability. These credits can be carried forward indefinitely.

20 **Q. HAS FINAL GUIDANCE BEEN ISSUED REGARDING CAMT?**

⁷⁵ Direct Testimony of Jennifer K. Story at 16:13-17:2 (Mar. 6, 2024).

1 A. No, it has not. Interim guidance has been issued by the Internal Revenue Service (“IRS”)
2 that provides taxpayers with guidance regarding the time-sensitive issues in the immediate
3 application of the CAMT. The issuance of proposed regulations is still forthcoming in
4 response to comments submitted upon request by the Treasury Department and the IRS.⁷⁶

5 **Q. WHAT IMPACTS DOES THE COMPANY ANTICIPATE TO ITS BUSINESS AS**
6 **A RESULT OF THE CAMT?**

7 A. The Company has highlighted the potential of the CAMT to negatively impact the
8 Company’s credit rating and, therefore, its ability to access financial markets and obtain
9 debt at a reasonable cost.⁷⁷ If the Company pays a CAMT, it will no longer be able to defer
10 the payment of taxes to the IRS, and this will, in turn, impact the Company’s overall cash
11 flows.

12 **Q. WHAT HAS THE COMPANY PROPOSED TO ALLEVIATE THE POTENTIAL**
13 **NEGATIVE IMPACT FROM THE CAMT?**

14 A. The Company has requested approval to establish a tax rider to ensure that the impacts of
15 the IRA are captured on an annual basis. This includes the renewable electricity production
16 tax credits and clean energy investment tax credits, offset by the impact of any CAMT
17 expenses, as a benefit to customers. The Company is proposing a return on the CAMT
18 carryforward balance using the Company’s weighted average cost of capital to be
19 determined in this rate case.⁷⁸

⁷⁶ *Id.* at 12:1-17.

⁷⁷ *Id.* at 10:15-22.

⁷⁸ *Id.* at 18:15-19:7.

1 **Q. DOES OPUC ACCEPT THE COMPANY’S PROPOSAL FOR THE IRA RIDER**
2 **AND THE TREATMENT OF CAMT?**

3 A. No. A taxpayer is only subject to the alternative minimum tax if it has an average AFSI of
4 \$1.0 billion or more over the most recent three years. CEHE’s parent company,
5 CenterPoint Energy, does not normally have an AFSI of \$1.0 billion or more. It appears
6 CenterPoint is only subject to the CAMT due to recent asset sales. A Wall Street Journal
7 article from March 30, 2023 explains the impact on CenterPoint:

8 Electric and natural-gas utility CenterPoint, meanwhile, sold two
9 businesses during the three-year period used to determine the
10 applicability of the minimum tax, from 2020 through 2022. These
11 sales produced substantial book and tax gains—which CenterPoint
12 paid regular corporate income tax on—that would likely subject the
13 company to the minimum tax, CenterPoint said in a March 15
14 comment.⁷⁹

15 As the article suggests, the primary reason that CenterPoint would be subject to
16 paying the CAMT is due to asset sales that happened in other jurisdictions outside of Texas.
17 Furthermore, CEHE’s affiliate in Indiana recently agreed to remove their proposal
18 regarding CAMT and file it separately in front of the Indiana Utility Regulatory
19 Commission as a standalone docket to further explore the treatment of CAMT.⁸⁰

⁷⁹ Jennifer Williams-Alvarez, New Corporate Minimum Tax Could Ensnare Some Firms over One-Time Moves, Wall Street Journal (Mar. 30, 2023), <https://www.wsj.com/articles/new-corporate-minimum-tax-could-ensnare-some-firms-over-one-time-moves-260f74df>.

⁸⁰ Indiana Utility Regulatory Commission, Cause No. 45990, Settlement Agreement filed May 21, 2024, Section A, Paragraph 3.

1 **Q. WHAT DO YOU RECOMMEND REGARDING THE COMPANY’S REQUESTED**
2 **TRACKING OF CAMT AND THE PROPOSED IRA RIDER?**

3 A. I recommend that the Commission reject the Company’s proposal for the tracking of the
4 CAMT as part of this docket. There is no final guidance on the calculation of CAMT yet;
5 CenterPoint’s recent sale of assets appears to be a primary driver for the applicability of
6 CAMT payments, which are not driven by activities of CEHE; and CEHE’s affiliate in
7 Indiana recently agreed to remove its proposal regarding the future tracking of CAMT
8 effects in a rider. However, the Company should be required to track and defer the benefits
9 of any renewable electricity production tax credits and clean energy investment tax credits
10 to refund to customers in the future.

11 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

12 A. No. Given that CEHE updated the proposed revenue requirement with its Errata 3 filing
13 made three business days before the intervenor testimony was due, and the resulting time
14 constraints of incorporating their changes in my testimony, I reserve the right to modify
15 my testimony to reflect the changes in their Errata 3 filing.⁸¹

⁸¹ CenterPoint Energy Houston Electric, LLC’s Errata 3 Filing (Jun. 14, 2024).

ATTACHMENTS



KYRA J. COYLE

Senior Manager

Ms. Kyra Coyle has over 15 years of experience in the utility, mining, and public accounting sectors and joined NewGen as a Senior Manager in December 2023. Her expertise includes strategic planning, project management, contract negotiations, financial modeling, regulatory affairs, budgeting, forecasting, and accounting.

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EDUCATION

Bachelor of Arts, Business
Administration with emphasis in
Accounting, Dakota Wesleyan University

Minor, Computer Applications, Dakota
Wesleyan University

KEY EXPERTISE

Accounting

Budgeting

Contract Negotiations

Financial Modeling

Forecasting

Project Management

Regulatory Affairs

Strategic Planning

PRIOR RELEVANT EXPERIENCE

Black Hills Corporation

Director of Regulatory/Finance – Wyoming, Montana and South Dakota Electric and Natural Gas Utilities

- Provide strategic leadership for all financial and regulatory matters for electric and natural gas utilities.
- Direct the development and filing of rate case applications and other regulatory filings supporting the Company's strategic plan, including new and innovative tariff offerings to incentivize economic development.
- Financial leader executing strategy for long-term success, responsible for \$1.9 billion of rate base. Received approval for a large transmission project (~260 miles).
- Contract negotiations with large, high density, power customers, including cost allocations for generation and transmission.
- Direct, develop, and maintain trusted relationships with regulatory, legislative, and other stakeholders.
- Expert witness for policy and financial matters to regulatory and legislative agencies.

Senior Manager of Finance and Regulatory Electric/Natural Gas Utilities

- Responsible for all forecasting and strategic planning aspects for Gas and Electric utilities and Non-Regulated companies, which requires positive working relationships with cross-functional teams.
- Part of the state-level executive leadership team; participate in operational initiatives – capital deployment, personnel plans, long-term strategic plans, and culture changes.
- Financial leader executing strategy for long-term success.
- Strong partnerships with operations and other matrix teams to execute key strategies.
- Financial modeling of purchase power agreements and strategic capital projects.
- Financial team member in the divestiture of 49.9% interest in a non-regulated entity.
- Lead, develop, and mentor coworkers.

KYRA J. COYLE

Senior Manager

Professional Finance Senior/Principal

- Responsible for budgeting, forecasting, and reporting for power generation assets. This included developing innovative ways to earn on PPAs and maximizing value by working with the operations team to maintain availability and reliability.
- Budget, forecast, and report on capital and O&M spending over \$50M annually.
- The key contact person for generation operations staff; helped educate the operations team on the optimal timing of associated expenditures and investments.
- Monitor and report to third-party owners on capital and O&M.

U.S Bentonite Processing, Inc.

Accounting Manager

- Led and supervised the accounting support staff, delegating duties and reviewing and approving invoices, payments, and other activities. Completed performance reviews and co-supervising the purchasing and logistics roles.
- Prepare and distribute financial statements to the board of directors monthly.
- Responsible for closing, consolidation, and budgeting of three U.S.-based companies.
- As the first point of contact during the annual audit, Ms. Coyle provided all the data needed and any adjustments made after the closing of the last period of the fiscal year.
- Business SME for NetSuite. Responsible for creating a new chart of accounts, departments, and locations for three companies, training all software users, and answering questions.

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
1. Constellation Mystic Power, LLC.	Docket No. ER18-1639-027	Annual Fixed Revenue Requirement, Capital Expense Recovery, and Stipulated Variable Cost Recovery for Mystic 8 & 9 Fuel Security System	Federal Regulatory Commission	Eastern New England Consumer-Owned Systems (ENECOS)	2024
2. Peoples Gas Light and Coke Company	Docket No. 23-0069	Proposed General Increase in Gas Rates and Revisions to Other Terms and Conditions of Service	Illinois Commerce Commission	City of Chicago	2024
3. Southern Indiana Gas and Electric Company DBA CenterPoint Energy Indiana South	Cause No. 45990	Authority to Modify its Rates and Charges for Electric Utility Service Through a Phase-In of Rates...	Indiana Utility Regulatory Commission	SABIC Innovative Plastics Mount Vernon, LLC	2024
4. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-228-EN-23	Certificate of Public Convenience and Necessity to Construct and Operate a New 115 kV Substation, Two New 115 kV Transmission Lines, Modification and Extension of Four 115 kV Transmission Lines, Four New 115 kV Load-Serving Transmission Lines and Related Facilities	Wyoming Public Service Commission	--	2023
5. Black Hills Power, Inc. DBA Black Hills Energy	Docket No. 20002-131-EA-23	Proposed Modification of the Neil Simpson II Generation Facility to a Dual Fuel Source and Request for a Determination Regarding the Need to File for a Certificate of Public Convenience and Necessity	Wyoming Public Service Commission	--	2023
6. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-225-EM-23	Authority to Increase Its Power Cost Adjustment by \$0.00872 per Kilowatt Hour	Wyoming Public Service Commission	--	2023
7. Cheyenne Light, Fuel, and Power Company and Black Hills Power, Inc. DBA Black Hills Energy	Docket No. 20003-223-ET-23	Authority to Establish a Low-Carbon Surcharge Tariff and Rate	Wyoming Public Service Commission	--	2023

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
8. Cheyenne Light, Fuel, and Power Company and Black Hills Power, Inc. DBA Black Hills Energy	Docket No. 20002-127-ET-23	Authority to Establish a Low-Carbon Surcharge Tariff and Rate	Wyoming Public Service Commission	--	2023
9. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-221-EA-23	Establish Intermediate Low-Carbon Portfolio Standards and Requirements	Wyoming Public Service Commission	--	2023
10. Black Hills Power, Inc. DBA Black Hills Energy	Docket No. 20002-126-EA-23	Establish Intermediate Low-Carbon Portfolio Standards and Requirements	Wyoming Public Service Commission	--	2023
11. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-217-EM-23	Authority to Decrease Its Power Cost Adjustment by \$0.03149 per Kilowatt-Hour	Wyoming Public Service Commission	--	2023
12. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-78-GR-23	Authority to Implement a General Rate Increase of \$19,262,412 per Annum and Extend Its Wyoming Integrity Rider	Wyoming Public Service Commission	--	2023
13. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-214-ER-22	A General Rate Increase of \$15,366,026 per Annum and Authority to Revise Its Power Cost Adjustment Mechanism	Wyoming Public Service Commission	--	2022
14. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-213-EM-22	Authority to Increase Its Power Cost Adjustment by \$0.00129 per Kilowatt-Hour	Wyoming Public Service Commission	--	2022
15. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-211-EM-22	Authority to Pass on a Blockchain Interruptible Service Customer Credit Adjustment Rate of \$0.00 per Kilowatt-Hour Effective June 1, 2022	Wyoming Public Service Commission	--	2022
16. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-210-ET-22	Revise the Demand Side Management Surcharge Rate, Effective June 1, 2022	Wyoming Public Service Commission	--	2022

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
17. Cheyenne Light, Fuel, and Power Company and Black Hills Power, Inc. DBA Black Hills Energy	Docket No. 20003-209-EA-22	Establish Intermediate Low-Carbon Energy Portfolio Standards and Requirements	Wyoming Public Service Commission	--	2022
18. Cheyenne Light, Fuel, and Power Company and Black Hills Power, Inc. DBA Black Hills Energy	Docket No. 20002-123-EA-22	Establish Intermediate Low-Carbon Energy Portfolio Standards and Requirements	Wyoming Public Service Commission	--	2022
19. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-208-EA-22	Authority to Increase Its Voluntary Renewable Energy Rider Rate to \$0.47 per Month per 100-KWh Block, Effective April 1, 2022	Wyoming Public Service Commission	--	2022
20. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-206-EN-22	A Certificate of Public Convenience and Necessity to Construct and Operate One New 230 kV Substation, Two Replacement 115 kV Substations, Three 230 kV Transmission Lines, Two 115 kV Transmission Lines and Related Facilities in Converse, Laramie, Goshen and Platte Counties on Wyoming and Scotts Bluff County in Nebraska	Wyoming Public Service Commission	--	2022
21. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-68-GM-22	Authority to Implement Wyoming Integrity Rider Rates of \$0.0231 per Therm for Residential General Service, \$0.0139 per Therm for Small General Service, \$0.0148 per Therm for Medium General Service, \$0.0092 per Therm for Large General Service, and \$0.0285 per Therm for On-System Transportation Service	Wyoming Public Service Commission	--	2022

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
22. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-67-GM-22	Authority to Decrease the Revenue Adjustment Mechanism Rate By \$0.0058 per Therm	Wyoming Public Service Commission	--	2022
23. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-66-GP-22	Authority to Pass on a Gas Cost Rate Decrease of \$0.1155 per Therm	Wyoming Public Service Commission	--	2022
24. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-65-GN-22	Determination of CPCN Requirements Regarding the Relocation of an Existing Transmission Pipeline and Related Facilities	Wyoming Public Service Commission	--	2022
25. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-63-GP-22	Authority to Pass on a Gas Cost Rate Decrease of \$0.0026 per Therm	Wyoming Public Service Commission	--	2022
26. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-60-GM-22	Authority to Increase the Revenue Adjustment Mechanism Rate by \$0.0022 Per Therm	Wyoming Public Service Commission	--	2022
27. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-57-GT-22	Authority to Decrease the Energy Efficiency Surcharge for Residential Customers by \$0.0034 per Therm and Increase It by \$0.0006 per Therm for Non-Residential Customers	Wyoming Public Service Commission	--	2022
28. Black Hills Wyoming Gas, LLC DBA Black Hills Energy	Docket No. 30026-55-GP-22	Authority to Pass on a Wholesale Gas Cost Increase of \$0.0669 per Therm	Wyoming Public Service Commission	--	2022
29. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-205-ET-21	Approval of the 2022-2024 Demand Side Management Program Plan by November 1, 2021, for Implementation on January 1, 2022	Wyoming Public Service Commission	--	2021

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
30. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-203-EM-21	Authority to Pass on a Blockchain Interruptible Service Customer Credit Adjustment Rate Of \$0.00 Per KWh Effective June 1, 2021	Wyoming Public Service Commission	--	2021
31. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-202-EM-21	Authority to Increase Its Power Cost Adjustment by \$0.00246 per Kilowatt-Hour	Wyoming Public Service Commission	--	2021
32. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-201-EN-21	Certificate of Public Convenience and Necessity to Construct and Operate Two 115 kV Substations, Associated Transmission Lines, and Related Facilities in Laramie County, Wyoming	Wyoming Public Service Commission	--	2021
33. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-200-ET-21	Authority to Update Its Demand Side Management Surcharge Rate, Effective June 1, 2021	Wyoming Public Service Commission	--	2021
34. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-199-EA-21	Authority to Increase Its Voluntary Renewable Energy Rider Rate to \$0.43 per Month per 100-KWh Block, Effective April 1, 2021	Wyoming Public Service Commission	--	2021
35. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-198-EN-21	Certificate of Public Convenience and Necessity to Construct and Operate a 115 kV Substation, Associated Transmission Lines, and Related Facilities in Laramie County, Wyoming	Wyoming Public Service Commission	--	2021
36. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-194-EM-20	Authority to Increase Its Power Cost Adjustment by \$0.00243 per Kilowatt-Hour Effective July 1, 2020	Wyoming Public Service Commission	--	2020

UTILITY	PROCEEDING	SUBJECT	BEFORE	CLIENT	YEAR
37. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-193-EN-20	Certificate of Public Convenience and Necessity to Rebuild an Existing 115 kV Transmission Line from Skyline Substation to East Business Park Substation in Laramie County, Wyoming	Wyoming Public Service Commission	--	2020
38. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-190-ET-20	Authority to Update Its Tariff Applicable to the Demand Side Management Margin Revenue Recovery, the Balancing Account and Program Costs	Wyoming Public Service Commission	--	2020
39. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-188-ET-20	Authority to Decrease Its Electric Voluntary Renewable Energy Rider Rate to \$0.03 per Month per 100-KWh Block	Wyoming Public Service Commission	--	2020
40. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-182-ET-19	Authority to Update Its Electric and Gas Tariffs Applicable to the Demand Side Management Margin Revenue Recovery, the Balancing Account and Program Costs	Wyoming Public Service Commission	--	2019
41. Cheyenne Light, Fuel, and Power Company DBA Black Hills Energy	Docket No. 20003-173-ET-18	Authority to Implement a Blockchain Interruptible Service Tariff	Wyoming Public Service Commission	--	2018

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
I-A COST OF SERVICE SUMMARY
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: J. DURLAND

			(1)	(2)	(3)
Line No.	Description	Reference Schedule	Amount at Existing Rates	Adjustment to Existing Rates	Amount at Proposed Rates
1					
2	Transmission and Distribution Cost of Service *	I-A-1	2,085,187,669	213,621,689	2,298,809,358
3					
4					
5					
6	TCRF (See Schedule IV-J-7 TCRF)				
7	TKS	IV-J-7	153,345,602	-	153,345,602
8	DCRF	IV-J-7	52,327,439	-	52,327,439
9	Nuclear Decommissioning	IV-J-7	197,708	575,584	773,292
10	DCRF	IV-J-7	220,146,407	(220,146,407)	-
11	CMC	IV-J-7	-	-	-
12	CTC	IV-J-7	NEA	-	NEA
13	RCE	IV-J-7	-	3,009,088	3,009,088
14	Franchise Fees	IV-J-7	(3,000,589)	236,426	(2,764,163)
15	THHLEF	IV-J-7	159,567,298	-	159,567,298
16	IRA	IV-J-7	-	-	-
17	TOTAL NON-BYPASSABLE DELIVERY CHARGE		2,647,771,534	(2,703,621)	2,645,067,913

* Excludes THHRC 565 from 11-12-1

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
I-A-1 TOTAL COST OF SERVICE BY FUNCTION
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Description	Reference Schedule	Test Year Total Electric	Adjustments	Company Total Request	Transmission Function (TRAN)	Distribution Function (DIST)	Metering Function (METER)	T&D Customer Service (TCS)	Total TX-Retail
1										
2	Operations and Maintenance Expense	II-D-2	1,671,846,443	227,510,250	1,902,356,693	97,834,460	1,709,993,565	49,626,916	44,901,752	1,902,356,693
3	Depreciation & Amortization	II-C-1	568,162,586	10,302,293	578,764,879	147,160,583	375,064,841	35,355,081	21,184,373	578,764,879
4	Taxes Other Than Federal Income Tax	II-E-2	306,719,436	22,861,986	329,581,422	61,304,004	261,752,011	4,798,561	1,726,844	329,581,422
5	Federal Income Tax	II-E-3	128,850,345	416,786	129,267,131	53,288,656	71,719,818	3,063,754	1,194,902	129,267,131
6										
7	Return on Rate Base	II-B	961,892,696	(128,879,300)	833,013,396	342,385,287	463,271,607	19,715,886	7,640,616	833,013,396
8										
9	TOTAL COST OF SERVICE		3,640,771,505	132,212,015	3,772,983,520	701,972,990	2,881,801,843	112,560,199	76,648,487	3,772,983,520
10										
11	Decommissioning Expense [1]	II-G	-	-	-	-	-	-	-	-
12										
13	Other Non-Bypassable Charges [2]		-	-	-	-	-	-	-	-
14										
15	Minus: Other Revenues	II-B-5	550,813,090	(477,536,320)	73,276,770	32,003,060	41,244,138	29,573	-	73,276,770
16										
17	TOTAL ADJUSTED REVENUE REQUIREMENT		3,089,958,415	609,748,334	3,699,706,749	669,969,930	2,840,557,705	112,530,627	76,648,487	3,699,706,750

[1] CenterPoint Energy Houston Electric, LLC does not own or have a leasehold interest in a nuclear-fueled generation unit.

[2] See Schedule I-A for Other Non-Bypassable Charges

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTROPOINT ENERGY HOUSTON ELECTRIC, LLC
1 A 2 ADDENDUMS TO THE 1951 YEAR
1951 YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: E. COLVIN

		(1)	(2)	(3)
Line No.	Description	Worksheet Reference	Schedule I-A-1 Reference	CNP Houston Electric, LLC Sponsoring Witness
1	SCHEDULE B RATE BASE			
2				
3	Plant	II-B-1 and II-B-2	Column 2, Line 6	
4	Intangible Plant: 3010-3030 - As Adjusted			701,651,957
5	Transmission Plant: 3500-3590 - As Adjusted			5,182,247,880
6	Distribution Plant: 3600-3710 - As Adjusted			10,281,857,896
7	General Plant: 3800-3990 - As Adjusted			694,731,089
8	Less:			
9	Intangible Plant: 3010-3030 - 1/yr Book			701,651,957
10	Transmission Plant: 3500-3590 - 1/yr Book			5,605,759,760
11	Distribution Plant: 3600-3710 - 1/yr Book			10,259,668,727
12	General Plant: 3800-3990 - 1/yr Book			695,855,112
13	Adjustment to Intangible Plant: 3010-3030			-
14	Adjustment to Transmission Plant: 3500-3590			(123,511,879)
15	Adjustment to Distribution Plant: 3600-3710			(77,710,831)
16	Adjustment to General Plant: 3800-3990			(11,324,023)
17	Total Adjustment to Plant: 3010-3990			(212,546,733) E. Colvin
18				
19	Communication Equipment	II-B-3	Column 2, Line 6	
20	3970 - As Adjusted			663,878,193
21	Less:			
22	3970 - 1/yr Book			669,741,463
23	Adjustment to 3970			(5,863,269) E. Colvin
24				
25	Construction Work in Progress	II-B-4	Column 2, Line 6	
26	1070 - As Adjusted			-
27	Less:			
28	1070 - 1/yr Book			1,067,127,699
29	Adjustment to 1070			(1,067,127,699) E. Colvin
30				
31	Plant Accumulated Depreciation	II-B-5	Column 2, Line 6	
32	Intangible Plant: 3010-3030 - As Adjusted			217,895,411
33	Transmission Plant: 3500-3590 - As Adjusted			804,808,553
34	Distribution Plant: 3600-3710 - As Adjusted			3,078,099,749
35	General Plant: 3800-3990 - As Adjusted			303,639,304
36	Less:			
37	Intangible Plant: 3010-3030 - 1/yr Book			217,895,411
38	Transmission Plant: 3500-3590 - 1/yr Book			804,808,553
39	Distribution Plant: 3600-3710 - 1/yr Book			3,092,794,096
40	General Plant: 3800-3990 - 1/yr Book			311,659,417
41	Adjustment to Intangible Plant: 3010-3030			-
42	Adjustment to Transmission Plant: 3500-3590			-
43	Adjustment to Distribution Plant: 3600-3710			(14,694,257)
44	Adjustment to General Plant: 3800-3990			(8,020,111)
45	Adjustment to Plant: 3010-3990			(22,714,365) E. Colvin D. Watson
46				
47	Plant Held For Future Use	II-B-6	Column 2, Line 6	
48	1070 - As Adjusted			6,259,640
49	Less:			
50	1070 - 1/yr Book			10,452,078
51	Adjustment to 1070			(4,192,438) E. Colvin D. Watson
52				
53	Accumulated Provisions	II-B-7	Column 2, Line 6	
54	Regulatory Assets, Property Insurance & Damages, Benefit Restoration: 1823, 2261-2263 - As Adjusted			34,235,061
55	Accumulated Deferred Federal Income Taxes: 1900, 2820, 2830 - As Adjusted			(1,270,978,800)
56	Less:			
57	Regulatory Assets, Property Insurance & Damages, Benefit Restoration: 1823, 2261-2263 - 1/yr Book			18,550,490
58	Accumulated Deferred Federal Income Taxes: 1900, 2820, 2830 - 1/yr Book			(1,128,591,261)
59	Adjustment to Regulatory Assets, Property Insurance & Damages, Benefit Restoration: 1823, 2261-2263			5,684,577
60	Adjustment to Accumulated Deferred Federal Income Taxes: 1900, 2820, 2830			177,852,567
61	Adjustment to Accumulated Provisions			163,637,440 E. Colvin D. Watson
62				
63	Materials and Supplies	II-B-8	Column 2, Line 6	

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTROPOINT ENERGY HOUSTON ELECTRIC, LLC
I-A-2 ADDENDUM 18 TO 1851 YEAR
1851 YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

Line No.	Description	Worksheet Reference	Schedule I-A-1 Reference	CNE Houston Electric, LLC	Sponsoring Witness
64	1510 - As Adjusted			361,799,613	
65	1630 - As Adjusted			1,192,378	
66	Less:				
67	1510 - Per Book			119,288,191	
68	1630 - Per Book			149,076	
69	Adjustment to 1540			(87,197,378)	
70	Adjustment to 1630			1,352,392	
71	Total Adjustments to Materials and Supplies			(86,145,276)	K. Colvin
72					
73	Cash Working Capital	II-B-9	Column 2, Line 6		
74	Cash Working Capital - As Adjusted			12,202,421	
75	Less:				
76	Cash Working Capital - Per Book			58,066,597	
77	Adjustments to Cash Working Capital			(45,864,171)	K. Colvin, J. Lyons
78					
79					
80	Prepayments	II-B-10	Column 2, Line 6		
81	1670 - As Adjusted			65,008,777	
82	Less:				
83	1670 - Per Book			35,532,670	
84	Adjustments to 1670			29,476,106	K. Colvin, J. Lyons
85					
86					
87	Other Rate Base Items	II-B-11	Column 2, Line 6		
88	Customer Deposits & Advances: 2310 & 2521 - As Adjusted			(37,253,378)	
89	Less:				
90	Customer Deposits & Advances: 2310 & 2521 - Per Book			(37,146,336)	
91	Adjustment to PERC 2359 & 2571			22,953	K. Colvin
92					
93	Non-Tax Related Regulatory Liabilities	II-B-11	Column 2, Line 6		
94	2510 - As Adjusted			(71,714,416)	
95	Less:				
96	2510 - Per Book			(238,592,691)	
97	Adjustments to 2540			166,788,273	K. Colvin
98					
99					
100	Tax Related Regulatory Liabilities	II-B-11	Column 2, Line 6		
101	2510 - As Adjusted			(694,751,442)	
102	Less:				
103	2510 - Per Book			(695,194,487)	
104	Adjustment to 2549			443,944	K. Colvin, J. Lyons
105					
106	Non-Tax Related Regulatory Assets	II-B-12	Column 2, Line 6		
107	1823 - As Adjusted			183,776,940	
108	Less:				
109	1823 - Per Book			910,665,908	
110	Adjustment to 1823			(726,888,967)	K. Colvin
111					
112	Tax Related Regulatory Assets	II-B-12	Column 2, Line 6		
113	1823 - As Adjusted			56,883,041	
114	Less:				
115	1823 - Per Book			124,259,433	
116	Adjustment to 1823			(67,376,392)	K. Colvin, J. Lyons
117					
118	Rate of Return Calculation				
119	Adjustments to Rate Base			(1,832,853,063)	
120	Recomputed Rate of Return			7.03%	
121	Calculated Rate of Return Adjustment		Column 2, Line 6	(128,859,390)	
122					
123					
124	SCHEDULED OPERATIONS & MAINTENANCE EXPENSES				
125					
126	EECRF	WI II-D-1 & D-2	Column 2, Line 1		

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTROPOINT ENERGY HOUSTON ELECTRIC, LLC
I A 2 ADJUSTMENTS TO 1951 YEAR
1951 YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: E. COLVIN

		(1)	(2)	(3)
Line No.	Description	Worksheet Reference	Schedule I-A-1 Reference	CNP Houston Electric, LLC Sponsoring Witness
127	FERC Acct. No. Various - As Adjusted			
128	Less:			
129	FERC Acct. No. Various - Per Book			11,366,468
130	Adjustment to FERC Acct. No. Various			(44,366,468) E. Colvin
131				
132	Transportation Depreciation	WFI II-D-1 & D-2	Column 2, Line 1	
133	FERC Acct. No. Various - As Adjusted			6,316,668
134	Less:			
135	FERC Acct. No. Various - Per Book			12,697,591
136	Adjustment to FERC Acct. No. Various			(6,380,923) E. Colvin
137				
138	Bad Debt	WFI II-D-1	Column 2, Line 1	
139	9010 - As Adjusted			1,578,671
140	Less:			
141	9010 - Per Book			-
142	Adjustment to FERC Acct. No. 9010			1,578,671 E. Colvin
143				
144	Affiliate Wages	WFI II-D-1 & D-2	Column 2, Line 1	
145	FERC Acct. No. Various - As Adjusted			-
146	Less:			
147	FERC Acct. No. Various - Per Book			10,694,971
148	Adjustment to FERC Acct. No. Various			(10,694,971) D. Stacey
149				
150	Direct Wages	WFI II-D-1 & D-2	Column 2, Line 1	
151	FERC Acct. No. Various - As Adjusted			178,611,592
152	Less:			
153	FERC Acct. No. Various - Per Book			171,195,782
154	Adjustment to FERC Acct. No. Various			7,415,810 E. Colvin
155				
156	TCOS	WFI II-D-1	Column 2, Line 1	
157	FERC Acct. No. 5630 - As Adjusted			1,100,897,392
158	Less:			
159	FERC Acct. No. 5630 - Per Book			1,102,891,148
160	Adjustment to FERC Acct. No. 5630			(298,093,756) E. Colvin
161				
162	Affiliate Expenses - Other	WFI II-D-1 & D-2	Column 2, Line 1	
163	FERC Acct. No. Various - As Adjusted			-
164	Less:			
165	FERC Acct. No. Various - Per Book			154,721
166	Adjustment to FERC Acct. No. Various			154,721 D. Stacey
167				
168	Employee Expenses	WFI II-D-1 & D-2	Column 2, Line 1	
169	FERC Acct. No. Various - As Adjusted			3,145,121
170	Less:			
171	FERC Acct. No. Various - Per Book			3,698,878
172	Adjustment to FERC Acct. No. Various			(163,757) E. Colvin
173				
174	Asset Transfer		Column 2, Line 1	
175	FERC Acct. No. Various - As Adjusted			-
176	Less:			
177	FERC Acct. No. Various - Per Book			342,318
178	Adjustment to FERC Acct. No. Various			(342,318) E. Colvin
179				
180	Affiliate Weather Event	WFI II-D-1 or D-2	Column 2, Line 1	
181	FERC Acct. No. Various - As Adjusted			-
182	Less:			
183	FERC Acct. No. Various - Per Book			149,151
184	Adjustment to FERC Acct. No. Various			(149,151) D. Stacey
185				
186	Affiliate Savings	WFI II-D-1 or D-2	Column 2, Line 1	
187	FERC Acct. No. 5880, 9260, 9302 - As Adjusted			-
188	Less:			
189	FERC Acct. No. 5880, 9260, 9302 - Per Book			(268,290)

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTROPOINT ENERGY HOUSTON ELECTRIC, LLC
1 A 2 ADDENDUMS TO 1951 YEAR
1951 YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR E. COLVIN

Line No.	Description	Worksheet Reference	Schedule I-A-1 Reference	CNP Houston Electric, LLC	Sponsoring Witness
100	Adjustment to FERC Acct. No. 9360, 9260, 9302			268,290	D. Storey
101					
102	Prize Period	WP II-D-2	Column 2, Line 1		
103	FERC Acct. No. 9302 - As Adjusted			-	
104	Less:				
105	FERC Acct. No. 9302 - Per Book			(2,390,146)	
106	Adjustment to FERC Acct. No. 9302			2,390,146	E. Colvin
107					
108	Direct Benefits	WP II-D-2	Column 2, Line 1		
109	FERC Acct. No. 9260 - As Adjusted			41,577,446	
110	Less:				
111	FERC Acct. No. 9260 - Per Book			52,024,447	
112	Adjustment to FERC Acct. No. 9260			(11,347,001)	E. Colvin
113					
114	Affiliate Benefits	WP II-D-2	Column 2, Line 1		
115	FERC Acct. No. 9302 - As Adjusted			-	
116	Less:				
117	FERC Acct. No. 9302 - Per Book			4,317,118	
118	Adjustment to FERC Acct. No. 9302			(4,317,118)	D. Storey
119					
120	Rule Case Exclusions	WP II-D-2	Column 2, Line 1		
121	FERC Acct. No. 9302 - As Adjusted			-	
122	Less:				
123	FERC Acct. No. 9302 - Per Book			169,082	
124	Adjustment to FERC Acct. No. 9302			(169,082)	E. Colvin
125					
126	Property Insurance Reserve	WP II-D-2	Column 2, Line 1		
127	FERC Acct. No. 9240 - As Adjusted			(2,040,250)	
128	Less:				
129	FERC Acct. No. 9240 - Per Book			248,536	
130	Adjustment to FERC Acct. No. 9240			8,687,084	E. Colvin/G. Wilson
131					
132	Worker's Compensation	WP II-D-2	Column 2, Line 1		
133	FERC Acct. No. 9250 - As Adjusted			1,170,355	
134	Less:				
135	FERC Acct. No. 9250 - Per Book			3,230,282	
136	Adjustment to FERC Acct. No. 9250			(2,059,927)	E. Colvin
137					
138	Rule Filing Expense	WP II-D-2	Column 2, Line 1		
139	FERC Acct. No. 9280 - As Adjusted			-	
140	Less:				
141	FERC Acct. No. 9280 - Per Book			-	
142	Adjustment to FERC Acct. No. 9280			-	E. Colvin
143					
144	Auto & General Liability	WP II-D-2	Column 2, Line 1		
145	FERC Acct. No. 9250 - As Adjusted			7,105,751	
146	Less:				
147	FERC Acct. No. 9250 - Per Book			4,351,201	
148	Adjustment to FERC Acct. No. 9250			2,754,550	E. Colvin
149					
150	Affiliate Employee Expenses	WP II-D-2	Column 2, Line 1		
151	FERC Acct. No. 9302 - As Adjusted			-	
152	Less:				
153	FERC Acct. No. 9302 - Per Book			1,237,628	
154	Adjustment to FERC Acct. No. 9302			(1,237,628)	D. Storey
155					
156	Sales Tax Refund	WP II-D-2	Column 2, Line 1		
157	FERC Acct. No. 9302 - As Adjusted			-	
158	Less:				
159	FERC Acct. No. 9302 - Per Book			(6,627,751)	
160	Adjustment to FERC Acct. No. 9302			6,627,751	E. Colvin
161					

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
I-A-2 ADJUSTMENTS TO TEST YEAR
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

		(1)	(2)	(3)
Line No.	Description	Worksheet Reference	Schedule I-A-1 Reference	CNP Houston Electric, LLC Sponsoring Witness
246	Investor Relations Expense	WP B-D-2	Column OPUC Adjustment	
247	FERC Acct. No. 9302 - As Adjusted			(801,686)
248	Less:			
249	FERC Acct. No. 9302 - Per Book			
250	Adjustment to FERC Acct. No. 9302			(461,636)
251				
252	Stock Comp for BOD	WP B-D-2	Column OPUC Adjustment	
253	FERC Acct. No. 9302 - As Adjusted			(731,185)
254	Less:			
255	FERC Acct. No. 9302 - Per Book			
256	Adjustment to FERC Acct. No. 9302			(731,185)
257				
258	Remove Severance Pay	WP B-D-2	Column OPUC Adjustment	
259	FERC Acct. No. 9302 - As Adjusted			(1,242,972)
260	Less:			
261	FERC Acct. No. 9302 - Per Book			
262	Adjustment to FERC Acct. No. 9302			(1,242,972)
263				
264	Remove LTI Expense for Financial Metrics	WP B-D-2	Column OPUC Adjustment	
265	FERC Acct. No. 9302 - As Adjusted			(6,938,907)
266	Less:			
267	FERC Acct. No. 9302 - Per Book			
268	Adjustment to FERC Acct. No. 9302			(6,938,907)
269				
270	Veg Mgmt Adjustment	WP B-D-1	Column OPUC Adjustment	
271	FERC Acct. No. Various - As Adjusted			(12,019,794)
272	Less:			
273	FERC Acct. No. Various - Per Book			
274	Adjustment to FERC Acct. No. Various			(12,019,794)
275				
276	Total Operations & Maintenance Adjustments			227,510,256
277				
278				
279	SCHEDULE E-1 & E-4: DEPRECIATION, AMORTIZATION, AND OTHER EXPENSES			
280				
281	Depreciation and Amortization Expense Adjustment	WP B-E-1	Column 2, Line 2	
282	4030 - As Adjusted			255,663,921
283	Less:			
284	4030 - Per Book			922,357,820
285	Adjustment to 4030			33,308,092 K. Colvin D. Watson
286				
287	Other Interest Expense	WP B-E-4	Column 2, Line 2	
288	4310 - As Adjusted			2,267,127
289	Less:			
290	4310 - Per Book			(12,304,809)
291	Adjustment to 4310			14,571,936 K. Colvin
292				
293	Covid Deferral	WP B-E-4.1 (old)	Column 2, Line 2	
294	4073 - As Adjusted			1,620,921
295	Less:			
296	4073 - Per Book			-
297	Adjustment to 4073			1,620,921 K. Colvin
298				
299	Defunded REPs Docket 49421	WP B-E-4.1 (old)	Column 2, Line 2	
300	4073 - As Adjusted			26,814
301	Less:			
302	4073 - Per Book			102,218

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTROPOINT ENERGY HOUSTON ELECTRIC, LLC
I-A-2 ADDENDUM 18 TO 1851 YEAR
1851 YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

		(1)	(2)	(3)
Line No.	Description	Worksheet Reference	Schedule I-A-1 Reference	CNP Houston Electric, LLC Sponsoring Witness
303	Adjustment to 4073			(75,444) K. Colvin
304				
305	Expedited Switches Docket 49421	WP H-E-1.1 (old)	Column 2, Line 2	
306	4073 - As Adjusted			60,789
307	Taxes:			
308	4073 - Per Book			211,821
309	Adjustment to 4073			(174,032) K. Colvin
310				
311	Hurricane Harvey Docket 49421	WP H-T-4.1 (old)	Column 2, Line 2	
312	4073 - As Adjusted			3,836,240
313	Taxes:			
314	4073 - Per Book			(2,881,220)
315	Adjustment to 4073			(2,044,980) K. Colvin
316				
317	Hurricane Harvey Trailing Charges	WP H-T-4.1 (old)	Column 2, Line 2	
318	4073 - As Adjusted			3,751,451
319	Taxes:			
320	4073 - Per Book			-
321	Adjustment to 4073			3,751,451 K. Colvin
322				
323	Hurricane Laura	WP H-T-4.1 (old)	Column 2, Line 2	
324	4073 - As Adjusted			9,609,187
325	Taxes:			
326	4073 - Per Book			-
327	Adjustment to 4073			9,609,187 K. Colvin
328				
329	Hurricane Nicholas	WP H-E-1.1 (old)	Column 2, Line 2	
330	4073 - As Adjusted			10,105,453
331	Taxes:			
332	4073 - Per Book			-
333	Adjustment to 4073			10,105,453 K. Colvin
334				
335	Tand Management Program	WP H-T-4.1 (old)	Column 2, Line 2	
336	4073 - As Adjusted			596,976
337	Taxes:			
338	4073 - Per Book			-
339	Adjustment to 4073			596,976 K. Colvin
340				
341	Tand Tand Time Facilities	WP H-T-4.1 (old)	Column 2, Line 2	
342	4073 - As Adjusted			1,263,121
343	Taxes:			
344	4073 - Per Book			-
345	Adjustment to 4073			1,263,121 K. Colvin
346				
347	Smart Meter Taxes	WP H-E-1.1 (old)	Column 2, Line 2	
348	4073 - As Adjusted			1,079,197
349	Taxes:			
350	4073 - Per Book			-
351	Adjustment to 4073			1,079,197 K. Colvin
352				
353	Smart Meter Taxes Docket 49421	WP H-T-4.1 (old)	Column 2, Line 2	
354	4073 - As Adjusted			363,910
355	Taxes:			
356	4073 - Per Book			1,387,826
357	Adjustment to 4073			(1,023,907) K. Colvin
358				
359	Winter Storm Uri	WP H-T-4.1 (old)	Column 2, Line 2	
360	4073 - As Adjusted			3,462,652
361	Taxes:			
362	4073 - Per Book			-
363	Adjustment to 4073			3,462,652 K. Colvin
364				

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTROPOINT ENERGY HOUSTON ELECTRIC, LLC
1 A 2 ADDENDUM 18 10 1851 YEAR
1851 YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

	(1)	(2)	(3)
Line No.	Description	Worksheet Reference	Schedule I-A-1 Reference
363	Rec Asset 18511	WP 1851-1.1 (old)	Column 2, Line 2
366	4073 - As Adjusted		
367	Less:		
368	4073 - Per Book		56,741,072
369	Adjustment to 4073		(56,741,072) K. Colvin
370			
371	Rec Residual	WP 1851-1.1 (old)	Column 2, Line 2
372	4074 - As Adjusted		1119,9361
373	Less:		
374	4074 - Per Book		-
375	Adjustment to 4074		(119,9361) K. Colvin
376			
377	Rec Residual Docket 49421	WP 1851-1.1 (old)	Column 2, Line 2
378	4074 - As Adjusted		1211,3971
379	Less:		
380	4074 - Per Book		806,175
381	Adjustment to 4074		594,778 K. Colvin
382			
383	Pension PTR-A 56,065 Deferral	WP 1851-1.1 (old)	Column 2, Line 2
384	4074 - As Adjusted		(10,832,108)
385	Less:		
386	4074 - Per Book		-
387	Adjustment to 4074		(10,832,108) K. Colvin
388			
389	Pension PTR-A 56,065 Deferral Docket 49421	WP 1851-1.1 (old)	Column 2, Line 2
390	4074 - As Adjusted		(5,180,543)
391	Less:		
392	4074 - Per Book		12,128,425
393	Adjustment to 4074		8,948,083 K. Colvin
394			
395	Total Depreciation, Amortization, and Other Expenses		10,302,293
396			
397			
398	SCHEDULE I-A-2: TAXES OTHER THAN FEDERAL INCOME TAX EXPENSE		
399			
400	Taxes Other Than Federal Income Taxes - Payroll-Related	1851-2	Column 2, Line 3
401	4081 - As Adjusted		11,075,016
402	Less:		
403	4081 - Per Book		11,827,482
404	Adjustment to 4081		147,534 K. Colvin/J. Story
405			
406	Taxes Other Than Federal Income Taxes - Property-Related	1851-2	Column 2, Line 3
407	4081 - As Adjusted		128,849,640
408	Less:		
409	4081 - Per Book		109,641,725
410	Adjustment to 4081		17,807,915 K. Colvin/J. Story
411			
412	Taxes Other Than Federal Income Taxes - Other	1851-2	Column 2, Line 3
413	4081 - As Adjusted		-
414	Less:		
415	4081 - Per Book		8,446
416	Adjustment to 4081		(8,446) K. Colvin/J. Story
417			
418	Taxes Other Than Federal Income Taxes - Texas Gross Margin	1851-2	Column 2, Line 3
419	4081 - As Adjusted		27,505,545
420	Less:		
421	4081 - Per Book		27,505,545
422	Adjustment to 4081		- K. Colvin/J. Story
423			
424	Taxes Other Than Federal Income Taxes - Municipal Franchise Fees	1851-2	Column 2, Line 3
425	4081 - As Adjusted		157,816,418
426	Less:		
427	4081 - Per Book		152,001,435

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTROPOINT ENERGY HOUSTON ELECTRIC, LLC
I A 2 ADDENDUM 18 TO 1851 YEAR
1851 YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

	(1)	(2)	(3)
Line No.	Description	Worksheet Reference	Schedule I-A-1 Reference
128	Adjustment to 4091		CNP Houston Electric, LLC
129			5,514,983 K. Colvin, J. Story
130	Taxes Other Than Federal Income Taxes - Deferred S&P Local	B-E-2	Column 3, Line 3
131	4101 - As Adjusted		5,134,810
132	Less:		
133	4101 - Per Book		5,434,810
134	Adjustment to 4101		K. Colvin, J. Story
135			
136	Total Taxes Other Than Federal Income Tax Expense		22,361,996
137			
138			
139	SCHEDULE E: FEDERAL INCOME TAX EXPENSE		
140			
141	Federal Income Tax Expense Adjustment	B-E-3	Column 3, Line 4
142	4091 and 4101 - As Adjusted		139,267,131
143	Less:		
144	4091 and 4101 - Per Book		138,889,345
145	Adjustment to 4091 and 4101		416,786
146			
147	Total Federal Income Tax Expense		416,786 J. Story
148			
149			
150	SCHEDULE E: OTHER REVENUES		
151			
152	Other Revenues (from Schedule II E-5)	WP II-E-5.1	Column 3, Line 11
153	4211 - As Adjusted		-
154	4200 - As Adjusted		118,271
155	4210 - As Adjusted		32,292,753
156	4210 - As Adjusted		34,839,939
157	4200 - As Adjusted		4,682,270
158	4201 - As Adjusted		1,023,536
159	Less:		
160	4211 - Per Book		-
161	4200 - Per Book		118,271
162	4210 - Per Book		28,893,868
163	4210 - Per Book		33,902,053
164	4200 - Per Book		61,379,947
165	4201 - Per Book		126,716,952
166	Adjustment to 4211		-
167	Adjustment to 4500		-
168	Adjustment to 4510		3,206,382
169	Adjustment to 4540		1,157,382
170	Adjustment to 4560		156,697,675
171	Adjustment to 4561		(123,693,415)
172	Total Adjustments		(477,536,320) K. Colvin
173			
174	Total Other Revenues		(477,536,320)
175			

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B SUMMARY OF RATE BASE
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Description	Reference Schedule	Test Year Total Electric	Company Adjustments	Company Total Request	TRAN	DIST	MKT	TXCS	Total TX Retail
2	Original Cost of Plant	II-B-1	16,467,089,444	(201,222,710)	16,265,857,733	6,057,257,480	9,570,038,053	183,095,032	155,467,168	16,265,857,733
3	General Plant	II-D-2	695,855,112	(11,324,023)	684,531,089	108,348,357	534,763,427	33,620,087	7,599,217	684,531,089
4	Communication Equipment	II-B-3	669,741,463	(5,363,280)	664,378,183	127,043,133	126,385,816	49,051,659	61,397,544	664,378,183
5										
6	Total Plant		17,832,677,019	(218,410,013)	17,614,267,005	6,292,848,971	10,531,187,327	565,766,778	224,463,929	17,614,267,005
7										
8	Minus: Accumulated Depreciation	II-B-5	4,127,157,386	(22,714,368)	4,104,443,018	920,334,941	3,163,580,580	228,207,195	92,270,302	4,104,443,018
9										
10	Net Plant in Service		13,405,519,632	(195,695,645)	13,209,823,987	5,372,464,030	7,367,606,747	337,559,583	132,193,627	13,209,823,987
11										
12	Other Rate Base Items:									
13	CWIP	II-D-4	1,067,127,699	(1,067,127,699)	-	-	-	-	-	-
14	Plant Held for Future Use	II-B-6	10,452,078	(4,192,438)	6,259,640	6,042,505	217,135	-	-	6,259,640
15	Accumulated Provisions	II-D-7	18,550,490	5,684,575	24,235,065	(5,057,838)	31,130,150	(1,266,179)	(571,067)	24,235,065
16	Accumulated Deferred Income Taxes	II-B-7	(1,128,931,365)	157,952,565	(1,270,978,800)	(148,441,177)	(351,023,980)	(43,610,933)	(23,902,710)	(1,270,978,800)
17	Materials and Supplies	II-D-8	449,428,267	(86,145,276)	363,282,991	202,706,776	157,097,611	3,478,604	-	363,282,991
18	Cash Working Capital	II-B-9	58,066,595	(45,364,171)	12,702,424	2,391,956	7,585,894	1,167,660	1,053,894	12,702,424
19	Prepayments	II-D-10	35,532,670	29,476,106	65,008,777	15,354,807	40,655,575	6,163,504	2,834,892	65,008,777
20	Other Rate Base Items:									
21	Customer Deposits & Advances	II-D-11	(37,446,336)	92,958	(37,353,378)	(37,353,378)	-	-	-	(37,353,378)
22	Regulatory Liabilities	II-B-11	(933,697,180)	167,231,322	(766,465,858)	(261,527,922)	(159,741,236)	(29,341,394)	(12,355,306)	(766,465,858)
23	Regulatory Assets	II-D-12	1,034,925,341	(794,265,360)	240,659,981	25,639,214	194,875,274	10,738,039	9,407,454	240,659,981
24										
25	Total Other Rate Base Items		274,008,260	(1,637,157,418)	(1,363,149,158)	(503,242,027)	(579,203,589)	(55,170,700)	(23,532,843)	(1,363,149,158)
26										
27	TOTAL RATE BASE		13,679,527,892	(1,832,853,063)	11,846,674,829	4,869,222,003	6,588,403,159	280,388,883	108,660,784	11,846,674,829
28										
29	Rate of Return	II-C-1.1	7.03%	7.03%	7.03%	7.03%	7.03%	7.03%	7.03%	7.03%
30										
31	RETURN ON RATE BASE		961,892,696	(128,879,300)	833,013,396	342,385,287	463,271,607	19,715,686	7,640,616	833,013,396

				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No	PRRC Account	Description	Reference Schedule	Total Company	Non-Regulated or Non-Electric	Known and Measurable Changes	Company Total Electric	IT-2	Functionalization Factor Name	Allocation to Texas	TRAN	DIST	MLT	TDCS	Total
1	Intangible Plant - Gross		II-B-1												
2	30302	Misc Intangible Plant - NYF S/W		36,348,183	-	-	36,348,183	23	P50302	36,348,183	5,161,052	9,398,789	10,523,661	11,261,081	36,348,183
3	30302-5	Intangible LTM Equipment (5 Yrs)		45,384,489	-	-	45,384,489	23	L30302	45,384,489	6,444,110	11,735,366	13,139,886	14,065,126	45,384,489
4	30302-7	Intangible LTM Equipment (7 Yrs)		29,554,348	-	-	29,554,348	23	L30302	29,554,348	4,198,400	7,642,063	8,556,685	9,159,200	29,554,348
5	30302-10	Intangible FPM Equipment (10 Yrs)		251,796,581	-	-	251,796,581	23	P50302	251,796,581	35,752,411	65,108,702	72,901,061	78,034,381	251,796,581
6	30302-15	Intangible FPM Equipment (15 Yrs)		138,568,356	-	-	138,568,356	23	P50302	138,568,356	19,675,219	35,850,533	40,118,826	42,943,777	138,568,356
7															
8		Subtotal		501,651,957	-	-	501,651,957			501,651,957	71,229,192	129,715,454	145,520,142	155,467,168	501,651,957
9															
10	Transmission Plant - Gross														
11	35501	Land and Land Fees		62,420,886	-	(1,408)	62,419,278	25	L35501	62,419,278	61,153,134	1,266,104	-	-	62,419,278
12	35502	Land and Land Rights		156,064,253	-	(2,888)	156,061,366	26	L35502	156,061,366	156,059,432	1,953	-	-	156,061,366
13	35501	Structures and Improvements		241,839,961	-	(65,211)	241,839,961	27	P55201	241,839,961	230,714,900	11,125,061	-	-	241,839,961
14	35501	Station Equipment		1,415,971,196	-	(269,279)	1,415,702,217	28	P55301	1,415,702,217	1,388,556,961	137,145,256	-	-	1,415,702,217
15	35401	Towers and Poles		1,711,085,724	-	(122,679,143)	1,588,406,582	29	L35401	1,588,406,582	1,588,406,582	-	-	-	1,588,406,582
16	35501	Poles, Towers and Poles		186,873,840	-	(5,610)	186,878,840	30	L35501	186,878,840	186,878,840	-	-	-	186,878,840
17	35601	Overhead Conductors and Devices		1,210,675,927	-	(126,311)	1,210,675,927	31	P5601	1,210,675,927	1,210,675,927	-	-	-	1,210,675,927
18	35701	Underground Conduit		38,232,025	-	-	38,232,025	32	P5701	38,232,025	38,232,025	-	-	-	38,232,025
19	35801	Underground Conductors and Devices		16,475,502	-	(5,845)	16,475,502	33	L35801	16,475,502	16,475,502	-	-	-	16,475,502
20	35901	Roads and Trails		565,556,164	-	(327,144)	565,556,164	34	L35901	565,556,164	565,556,164	-	-	-	565,556,164
21															
22		Subtotal		5,605,769,760	-	(123,511,879)	5,482,247,880			5,482,247,880	5,342,709,607	139,638,374	-	-	5,482,247,880
23															
24	Distribution Plant - Gross		II-B-1												
25	36001	Land Owned in Fee		145,213,571	-	(41,741)	145,213,571	35	P6001	145,213,571	43,797,251	101,416,340	-	-	145,213,571
26	36002	Land and Land Rights		1,359,395	-	(359)	1,359,395	36	P6002						

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
TLE-1.1 PLANT TRANSMISSION PROJECT COSTS
FISCAL YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: D. MERCADO

		(1)	(2)	(3)	(4)
Line No.	Transmission Project	Project Number	CCN Docket No.	PRUC Account	Company Total Electric
1	Bailley - Jones Creek	1115	48629	370.01	13,331,512
2	Talley - Jones Creek	1115	48629	380.02	49,705,220
3	Bailley - Jones Creek	1115	48629	372.01	617,291
4	Talley - Jones Creek	1115	48629	383.01	15,009,976
5	Bailley - Jones Creek	1115	48629	374.01	240,690,163
6	Talley - Jones Creek	1115	48629	385.01	176,973
7	Bailley - Jones Creek	1115	48629	376.01	67,667,911
8	Talley - Jones Creek	1115	48629	389.01	136,621,519
9				521,920,588	
10					
11	TOTAL CCR TRANSMISSION PROJECTS			521,920,588	521,920,588

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-2 GENERAL PLANT
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No.	ITRC Account	Description	Reference Schedule	Total Company	Non-Regulated or Non-Electric	Known and Measurable Charges	Company Total Electric	IT #	Functionalization Factor Name	Allocation to Taxes	TRAN	DIST	MLT	TDC'S	Total
1	General Plant	Gross													
2	38901	Land and Land Fees		28,813,681	-	-	28,813,681	49	E38901	28,813,681	898,137	27,412,273	175,162	62,873	28,813,681
3	38902	Land and Land Rights		1,021,980	-	-	1,021,980	50	E38902	1,021,980	968,071	152,877	1,032	-	1,021,980
4	39001	Structures and Improvements		348,826,578	-	(18,216)	348,808,361	51	E39001	348,808,361	39,142,685	302,811,752	4,805,537	2,048,387	348,808,361
5	39101	Office furniture and equipment		15,084,158	-	(931)	15,083,227	52	E39101	15,083,227	259,181	13,798,773	311,195	713,775	15,083,227
6	39201	Transportation Equipment		184,252,806	-	(16,067)	184,206,739	53	E39201	184,206,739	19,627,007	123,566,910	10,877,892	134,900	184,206,739
7	39301	Stores Equipment		1,053,132	-	(488)	1,052,644	54	E39301	1,052,644	365,902	680,034	6,708	-	1,052,644
8	39401	Tools, Shop, and Garage Equipment		29,405,854	-	751,215	30,157,069	55	E39401	30,157,069	209,586	29,620,587	302,224	24,672	30,157,069
9	39501	Laboratory Equipment		21,359,515	-	(3,517,153)	20,812,362	56	E39501	20,812,362	-	3,727,891	16,215,569	900,902	20,812,362
10	39601	Power Operated Equipment		35,176,186	-	(11,437)	35,164,999	57	E39601	35,164,999	16,113,535	18,580,423	111,040	-	35,164,999
11															
12		Subtotal		668,029,193	-	(2,843,126)	665,186,066			665,186,066	107,514,106	520,351,551	33,434,900	3,885,509	665,186,066
13															
14	General Plant	Miscellaneous													
15	39801	Miscellaneous Equipment		18,459,721	-	885,301	19,345,023	60	E39801	19,345,023	1,034,251	14,411,876	185,187	3,713,709	19,345,023
16	39911	Asset Retirement Cost Gen Plant		9,366,198	-	(9,366,198)	-		NA	-	-	-	-	-	-
17															
18		Subtotal		27,825,919	-	(8,480,896)	19,345,023			19,345,023	1,034,251	14,411,876	185,187	3,713,709	19,345,023
19															
20		TOTAL GENERAL PLANT GROSS		695,855,112	-	(11,324,023)	684,531,089			684,531,089	108,548,357	534,763,427	33,620,087	7,599,217	684,531,089

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PUBLIC UTILITY COMMISSION OF TEXAS
CUTLER/ARVEST ENERGY JOINT VENTURE, LLC
BLS COMMUNICATION EQUIPMENT
FISCAL YEAR ENDING 12/31/2024
DOCKET NO. 2024-00000
SPONSOR: K. CULLEY

Line No.	FFWD Amount	Description	Balance Forward	Initial Capital Expenditure	Initial Operating Expenditure	Depreciation and Amortization	Depreciation and Amortization	FFWD	Initial Capital Expenditure	Initial Operating Expenditure	Depreciation and Amortization	FFWD	Initial Capital Expenditure	Initial Operating Expenditure	Depreciation and Amortization	FFWD
1		Communication Equipment - Lease														
2	2024	Leasehold Improvements	494,226.62		2,124,111.17	494,226.62	18	1,077.1	1,077.1	1,077.1	1,077.1	1,077.1	1,077.1	1,077.1	1,077.1	494,226.62
3	2024	Leasehold Improvements	1,626,618.1		2,124,111.17	1,626,618.1	18	1,077.1	1,077.1	1,077.1	1,077.1	1,077.1	1,077.1	1,077.1	1,077.1	1,626,618.1
4		Subtotal	660,844.73	-	4,248,222.34	660,844.73										660,844.73
5																
6																
7		TOTAL COMMUNICATION EQUIPMENT	660,844.73		4,248,222.34	660,844.73										660,844.73
8																
9		TOTAL GENERAL PLANT (GROSS INCLUDING COMM. EQUIP.)	1,548,997.55	7,378,500.00	1,548,997.55											1,548,997.55
10																
11		TOTAL PLANT IN SERVICE (GROSS INCLUDING INTANGIBLES)	1,548,997.55	7,378,500.00	1,548,997.55											1,548,997.55
12																
13		TOTAL PLANT IN SERVICE (GROSS EXCLUDING INTANGIBLES)	1,548,997.55	7,378,500.00	1,548,997.55											1,548,997.55

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-4 CONSTRUCTION WORK IN PROGRESS
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No.	FERC Account	Description	Reference Schedule	Total Company	Non-Regulated or Non-Electric	Known and Measurable Changes	Company Total Electric	IT 4	Functionalization Factor Name	Allocation to Taxes	TRAN	DIST	MCT	TDCS	Total
1		Construction Work in Progress	II-B-4												
2	1070	Const Work in Prog		1,067,127,699	-	(1,067,127,699)	-	1	DA	-	-	-	-	-	-
3															
4		Subtotal		1,067,127,699	-	(1,067,127,699)	-			-	-	-	-	-	-
5															
6		TOTAL CWIP		1,067,127,699	-	(1,067,127,699)	-			-	-	-	-	-	-

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTURION ENERGY HOUSTON ELECTRIC, LLC
IID 5 ACCUMULATED DEPRECIATION
DRAFT KJC-3 RFP DEDS 12/1/2015
DUE TO NO. 56211
SPONSOR: E. COLVIN / D. WATSON

				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Ln	TRC Account	Description	Reference Schedule	Total Cost/Rate	Market/2nd. Gen Elec. Electric	Transmission and Distribution Charges	Operating and Maintenance	IT	Construction Factor/Rate	Accumulated Depreciation	PLANT	DEBT	NET	TDOS	Total
77	Subtotal			(152,000.023)	-	-	(152,000.023)		(152,000.023)	(136,537,119)	(15,462,905)	-	-	-	(152,000.023)
78															
79															
80		TOTAL ACCUM DEP FOR GENERAL PLANT		311,639,415	(8,020,111)	303,619,304	303,619,304	(54,191,335)	303,809,363	29,298,543	24,742,444	303,619,304			303,619,304
81		TOTAL GENERAL PLANT NET		1,635,857,159	(2,167,192)	1,644,769,968	1,644,769,968	(289,792,726)	1,644,359,933	53,462,863	44,154,517	1,644,769,968			1,644,769,968
82															
83		TOTAL PLANT INVESTMENT (KAL IN FANGHURKS)		13,495,418,632	(195,695,645)	13,299,722,987	13,299,722,987	(2,179,464,048)	13,467,656,347	337,555,491	133,129,617	13,499,333,293			13,499,333,293
84															
85		TOTAL PLANT INVESTMENT (KAL IN FANGHURKS)		13,121,763,887	(195,695,645)	12,926,068,242	12,926,068,242	(2,179,464,048)	13,016,067,443	332,173,647	133,129,617	13,016,067,443			13,016,067,443

PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 II-B-5a RESERVE REALLOCATION ADJUSTMENT RETIREMENTS
 TEST YEAR ENDING 12/31/2023
 DOCKET NO. 56211
 SPONSOR: K. COLVIN / D. WATSON

		(1)	(2)	
Line No.	FERC Account	Description	Less Retirements	Adjusted Book Reserve at 12/31/22
1				
2		Amortized General Property		
3	39101	Office furniture and equipment	-	-
4	39301	Stores Equipment	-	-
5	39401	Tools, Shop, and Garage Equipment	(3,959)	(3,959)
6	39501	Laboratory Equipment	(3,515,473)	(3,515,473)
7	39702	Computer Equipment	(3,083,523)	(3,083,523)
8	39801	Miscellaneous Equipment	-	-
9		Total Amortized General Property	(6,602,955)	(6,602,955)

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-6 PLANT HELD FOR FUTURE USE
TEST YEAR ENDING 12/31/2023
DOCKET NO. S6211
SPONSOR: K. COLVIN / E. EASTON

				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No.	FERC Account	Description	Reference Schedule	Total Company	Non-Regulated or Non-Electric	Known and Measurable Change	Company Total Electric	FF #	Functionalization Factor Name	Allocation to Texas	TRAN	DIST	MET	TDCS	Total
1	Other Rate Base Items														
2															
3	Plant Held for Future Use														
4	1050	Plant Held for Future Use		10,452,078	-	(4,192,438)	6,259,640	1	DA	6,259,640	6,042,505	217,135	-	-	6,259,640
5															
6	<i>Breakout Plant Held for Future Use by Function:</i>														
7															
8	Transmission Plant														
9	35003	Trans Land Owned Fee	II-B-6	7,861,787	-	(4,136,048)	3,725,738	2	TRAN	3,725,738	3,725,738	-	-	-	3,725,738
10	35004	Trans - Land Rts		2,316,767	-	-	2,316,767	2	TRAN	2,316,767	2,316,767	-	-	-	2,316,767
11															
12	Subtotal			10,178,554	-	(4,136,048)	6,042,505			6,042,505	6,042,505	-	-	-	6,042,505
13															
14	Distribution Plant														
15	36003	Dist Land Owned Fee	II-B-6	223,977	-	(6,842)	217,135	3	DIST	217,135	-	217,135	-	-	217,135
16															
17	Subtotal			223,977	-	(6,842)	217,135			217,135	-	217,135	-	-	217,135
18															
19	General Plant														
20	38903	Land Owned in Fee	II-B-6	49,547	-	(49,547)	-	13	GNLPLT-N	-	-	-	-	-	-
21															
22	Subtotal			49,547	-	(49,547)	-			-	-	-	-	-	-
23															
24	TOTAL PLANT HELD FOR FUTURE USE			10,452,078	-	(4,192,438)	6,259,640			6,259,640	6,042,505	217,135	-	-	6,259,640

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-7 ACCUMULATED PROVISIONS
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN / J. STORY

				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No.	FERC Account	Description	Reference Schedule	Total Company	Non-Regulated or Non-Electric	Known and Measurable Changes	Company Total Electric	IT #	Functionalization Factor Name	Allocation to Texas	TRAN	DIST	MLT	TD-CS	Total
1															
2		Other Rate Base Items													
3															
4		Other Accumulated Provisions	II-B-7												
5	1823	Regulatory Assets-Storm Reserve		42,017,815	-	(199,056)	41,818,759	3	DIST	41,818,759	-	41,818,759	-	-	41,818,759
6	2281	Regulatory Assets-Other		-	-	-	-	3	DIST	-	-	-	-	-	-
7	2282	Injuries & Damages-Auto Liability		(3,046,306)	-	-	(3,046,306)	21	GPLT	(3,046,306)	(1,099,448)	(1,811,528)	(96,892)	(38,438)	(3,046,306)
8	2282	Injuries & Damages-Gen Liability		(16,290,423)	-	11,161,631	(5,128,792)	15	PLTSVC-N	(5,128,792)	(2,107,365)	(2,341,389)	(129,379)	(50,659)	(5,128,792)
9	2282	Injuries & Damages-Workers' Comp		(4,130,595)	-	-	(4,130,595)	12	PAYXAG	(4,130,595)	(812,644)	(2,649,811)	(456,544)	(211,596)	(4,130,595)
10	2283	Benefit Restoration		-	-	(5,278,000)	(5,278,000)	12	PAYXAG	(5,278,000)	(1,038,381)	(3,385,831)	(583,364)	(270,374)	(5,278,000)
11		Subtotal		18,550,490	-	5,684,575	24,235,065			24,235,065	(5,087,838)	31,130,150	(1,266,179)	(571,067)	24,235,065
12		Accumulated Deferred Income Taxes													
13															
14	1950	Deferred Income Tax		300,848,302	-	182,723	301,331,025	62	DIT 190	301,331,025	165,869,092	178,834,921	11,889,610	4,717,402	301,331,025
15	2820	Def Inc Taxes-Fed-Accel Dcpr		(1,484,359,106)	-	20,897,115	(1,463,461,991)	63	DIT 282	(1,463,461,991)	(543,710,812)	(851,856,774)	(49,289,348)	(18,605,057)	(1,463,461,991)
16	2830	Def Inc Taxes-Federal-Other		(215,420,561)	-	136,572,727	(108,847,834)	64	DIT 283	(108,847,834)	(10,599,457)	(78,022,127)	(10,211,195)	(10,015,055)	(108,847,834)
17															
18		Subtotal		(1,428,931,365)		157,952,565	(1,270,978,800)			(1,270,978,800)	(448,441,177)	(751,023,980)	(47,610,933)	(23,902,710)	(1,270,978,800)
19															
20		TOTAL ACCUMULATED PROVISIONS	II-B-7	(1,410,380,875)		163,637,140	(1,246,743,735)			(1,246,743,735)	(453,499,015)	(719,593,830)	(48,877,113)	(24,473,777)	(1,246,743,735)

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-7.1 ACCUMULATED PROVISIONS
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No.	FERC Account	Year	Reference Schedule	Total Company	Non-Regulated or Non-Electric	Known and Measurable Changes	Company Total Electric	FF #	Function/Division Factor Name	Allocation to Texas	TRAN	DIST	MKT	TDCS	Total
1	Other Rate Base Items														
2															
3	Property Insurance Reserve		II-D-7												
4	2281	2023		12,017,815	-	-	12,017,815	3	DIST	12,017,815	-	12,017,815	-	-	12,017,815
5	2281	2022		21,407,120	-	-	21,407,120	3	DIST	21,407,120	-	21,407,120	-	-	21,407,120
6	2281	2021		17,341,896	-	-	17,341,896	3	DIST	17,341,896	-	17,341,896	-	-	17,341,896
7	2281	2020		14,597,657	-	-	14,597,657	3	DIST	14,597,657	-	14,597,657	-	-	14,597,657
8	2281	2019		13,280,870	-	-	13,280,870	3	DIST	13,280,870	-	13,280,870	-	-	13,280,870
9	2281	2018		5,829,611	-	-	5,829,611	3	DIST	5,829,611	-	5,829,611	-	-	5,829,611
10	2281	2017		1,083,078	-	-	1,083,078	3	DIST	1,083,078	-	1,083,078	-	-	1,083,078
11	2281	2016		678,709	-	-	678,709	3	DIST	678,709	-	678,709	-	-	678,709
12	2281	2015		(2,679,686)	-	-	(2,679,686)	3	DIST	(2,679,686)	-	(2,679,686)	-	-	(2,679,686)
13	2281	2014		(9,184,159)	-	-	(9,184,159)	3	DIST	(9,184,159)	-	(9,184,159)	-	-	(9,184,159)
14	2281	2013		(9,736,501)	-	-	(9,736,501)	3	DIST	(9,736,501)	-	(9,736,501)	-	-	(9,736,501)

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
H-B-8 MATERIALS & SUPPLIES
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No.	PERC Account	Description	Reference Schedule	Total Company	Non-Regulated or Non-Electric	Known and Measurable Changes	Company Total Electric	Unit	Functionalization Factor Name	Allocation to Texas	TRAN	DIST	MET	TDCS	Total
1															
2		Other Rate Base Items													
3															
4		Working Capital - Materials & Supplies													
5															
6	1540	Materials and Supplies													
7		Dec - 2022		433,536,326	-	(94,668,415)	338,867,911	65	MAT SUP	338,867,911	189,083,506	146,539,587	3,244,818	-	338,867,911
8		Jan - 2023		445,500,928	-	(94,668,415)	350,832,513	65	MAT SUP	350,832,513	195,759,585	151,713,543	3,359,385	-	350,832,513
9		Feb - 2023		444,068,948	-	(94,668,415)	349,400,532	65	MAT SUP	349,400,532	194,960,560	151,094,299	3,345,673	-	349,400,532
10		Mar - 2023		462,856,382	-	(94,668,415)	368,187,966	65	MAT SUP	368,187,966	205,443,683	159,218,712	3,525,571	-	368,187,966
11		Apr - 2023		473,808,112	-	(94,668,415)	379,139,696	65	MAT SUP	379,139,696	211,554,593	163,954,664	3,630,439	-	379,139,696
12		May - 2023		457,431,550	-	(94,668,415)	362,763,135	65	MAT SUP	362,763,135	202,416,704	156,872,805	3,473,626	-	362,763,135
13		Jun - 2023		440,224,574	-	(94,668,415)	345,556,158	65	MAT SUP	345,556,158	192,815,454	149,431,843	3,308,861	-	345,556,158
14		Jul - 2023		442,735,676	-	(94,668,415)	348,067,261	65	MAT SUP	348,067,261	194,216,613	150,517,741	3,332,906	-	348,067,261
15		Aug - 2023		439,489,425	-	(94,668,415)	344,821,010	65	MAT SUP	344,821,010	192,405,251	149,113,937	3,301,822	-	344,821,010
16		Sep - 2023		451,551,370	-	(94,668,415)	356,882,955	65	MAT SUP	356,882,955	199,135,646	154,329,988	3,417,321	-	356,882,955
17		Oct - 2023		465,722,086	-	(94,668,415)	371,053,671	65	MAT SUP	371,053,671	207,042,705	160,457,954	3,553,012	-	371,053,671
18		Nov - 2023		483,923,907	-	(94,668,415)	389,255,492	65	MAT SUP	389,255,492	217,199,064	168,329,125	3,727,303	-	389,255,492
19		Dec - 2023		399,897,198	-	(1,447,532)	398,449,667	65	MAT_SUP	398,449,667	222,329,284	172,305,041	3,815,341	-	398,449,667
20		13-Month Average Balance		449,288,191	-	(87,497,578)	361,790,613			361,790,613	201,874,050	156,452,249	3,464,314	-	361,790,613
21															
22		Jan - 2024		-	-	-	-	65	MAT SUP	-	-	-	-	-	-
23		Feb - 2024		-	-	-	-	65	MAT SUP	-	-	-	-	-	-
24		Mar - 2024		-	-	-	-	65	MAT SUP	-	-	-	-	-	-
25															
26	1630	Undistributed M&S Expenses													
27		Dec - 2022		(738)	-	-	(738)	66	MAT SUP UND	(738)	(412)	(319)	(7)	-	(738)
28		Jan - 2023		(990,313)	-	-	(990,313)	66	MAT SUP UND	(990,313)	(552,581)	(428,250)	(9,483)	-	(990,313)
29		Feb - 2023		3,821,412	-	-	3,821,412	66	MAT SUP UND	3,821,412	2,132,294	1,652,526	36,592	-	3,821,412
30		Mar - 2023		4,113,675	-	-	4,113,675	66	MAT SUP UND	4,113,675	2,295,373	1,778,912	39,390	-	4,113,675
31		Apr - 2023		4,858,466	-	-	4,858,466	66	MAT SUP UND	4,858,466	2,710,955	2,100,989	46,522	-	4,858,466
32		May - 2023		3,615,256	-	-	3,615,256	66	MAT SUP UND	3,615,256	2,017,262	1,563,377	34,618	-	3,615,256
33		Jun - 2023		4,672,008	-	-	4,672,008	66	MAT SUP UND	4,672,008	2,606,914	2,020,357	44,737	-	4,672,008
34		Jul - 2023		955,070	-	-	955,070	66	MAT SUP UND	955,070	532,915	413,009	9,145	-	955,070
35		Aug - 2023		(1,577,420)	-	-	(1,577,420)	66	MAT SUP UND	(1,577,420)	(880,178)	(682,137)	(15,105)	-	(1,577,420)
36		Sep - 2023		357,515	-	-	357,515	66	MAT SUP UND	357,515	199,488	154,603	3,423	-	357,515
37		Oct - 2023		718,095	-	-	718,095	66	MAT SUP UND	718,095	400,687	310,532	6,876	-	718,095
38		Nov - 2023		127,523	-	-	127,523	66	MAT SUP UND	127,523	71,156	55,146	1,221	-	127,523
39		Dec - 2023		(18,849,562)	-	17,579,925	(1,269,637)	66	MAT_SUP UND	(1,269,637)	(708,439)	(549,040)	(12,157)	-	(1,269,637)
40															
41		13-Month Average Balance		140,076	-	1,352,302	1,492,378			1,492,378	832,726	645,362	14,290	-	1,492,378
42															

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43	Jan - 2024	-	-	-	-	66	MAT_SUP_UND	-	-	-	-	-	-
44	Feb - 2024	-	-	-	-	66	MAT_SUP_UND	-	-	-	-	-	-
45	Mar - 2024	-	-	-	-	66	MAT_SUP_UND	-	-	-	-	-	-
46													
47	TOTAL MATERIALS & SUPPLIES	449,428,267	-	(86,145,276)	363,282,991			363,282,991	202,706,776	157,097,611	3,478,604	-	363,282,991

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-9 CASH WORKING CAPITAL
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN / T. LYONS

				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No.	FERC Account	Description	Reference Schedule	Total Company	Non-Regulated or Non-Electric	Known and Measurable Changes	Company Total Electric	FF %	Functionalization Factor Name	Allocation to Texas	TRAN	DIST	MEET	TDCS	Total
1	Other Rate Base Items														
2															
3		Working Capital - Cash	II-B-9												
4		Cash & Working Funds		-	(45,864,171)		12,202,424	8	OMAGXTP(565)	12,202,424	2,394,986	7,585,884	1,167,660	1,053,894	12,202,424
5															
6		O&M Expenses plus A&G Expenses	II-D-2	501,459,301											
7		Less: Material & Supplies expense		10,686,669											
8		Less: Prepaid amortization		26,239,869											
9				464,532,763											
10		% Allowance per P.U.C. SUBST. R. 25.231		12.50%											
11		One-Eighth of O&M Test		58,066,595											
12															
13		Allowance for Cash Working Capital		58,066,595	-	(45,864,171)	12,202,424			12,202,424	2,394,986	7,585,884	1,167,660	1,053,894	12,202,424
14															
15		TOTAL CASH WORKING CAPITAL		58,066,595	-	(45,864,171)	12,202,424			12,202,424	2,394,986	7,585,884	1,167,660	1,053,894	12,202,424
16															
17		TOTAL WORKING CAPITAL		507,494,862		(132,009,447)	375,485,415			375,485,415	205,101,762	164,683,495	4,646,264	1,053,894	375,485,415
18															
19	* http://www.puc.texas.gov/agency/rules/laws/subrules/electric/25.231/25.231.pdf														

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PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 II-B-9.1 CASH WORKING CAPITAL
 TEST YEAR ENDING 12/31/2023
 DOCKET NO. 56211
 SPONSOR: K. COLVIN / T. LYONS

(1)

Line No.	FERC Account	Description	Total Company
1		Working Capital - Cash Test	
2		Cash Working Capital	12,202,424
3			
4		Requested Revenue Requirement	3,699,706,749
5		Percentage	1.00%
6		1% of Requested Revenue Requirement	36,997,067
7			
8		Greater than 1% test:	FALSE

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-10 PREPAYMENTS
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

Line No.	PLRC Account	Description	Reference Schedule	(1) Total Company	(2) Non-Regulated or Non-Electric	(3) Known and Measurable Changes	(4) Company Total Electric	(5) FT #	(6) Functionalization Factor Name	(7) Allocation to Texas	(8) TRAN	(9) DIST	(10) MUT	(11) TDCS	(12) Total
2	Other Rate Base Items														
4	Working Capital - Prepayments														
6	1650	Prepay Insurance	II-B-10												
7		Dec - 2022		11,597,263	-	-	11,597,263	15	PLTSVC-N	11,597,263	4,765,188	6,424,971	292,552	114,551	11,597,263
8		Jan - 2023		10,587,593	-	-	10,587,593	15	PLTSVC-N	10,587,593	4,350,326	5,365,656	267,082	104,578	10,587,593
9		Feb - 2023		9,062,336	-	-	9,062,336	15	PLTSVC-N	9,062,336	3,723,615	5,020,602	228,606	89,513	9,062,336
10		Mar - 2023		7,537,078	-	-	7,537,078	15	PLTSVC-N	7,537,078	3,096,905	4,175,598	190,130	74,447	7,537,078
11		Apr - 2023		6,011,821	-	-	6,011,821	15	PLTSVC-N	6,011,821	2,470,192	3,330,594	151,654	59,381	6,011,821
12		May - 2023		4,689,328	-	-	4,689,328	15	PLTSVC-N	4,689,328	1,926,794	2,597,923	118,293	46,319	4,689,328
13		Jun - 2023		8,340,733	-	-	8,340,733	15	PLTSVC-N	8,340,733	3,427,116	4,620,829	210,403	82,385	8,340,733
14		Jul - 2023		6,718,199	-	-	6,718,199	15	PLTSVC-N	6,718,199	2,760,434	3,721,952	169,473	66,359	6,718,199
15		Aug - 2023		5,095,664	-	-	5,095,664	15	PLTSVC-N	5,095,664	2,093,753	2,823,036	128,543	50,332	5,095,664
16		Sep - 2023		3,640,618	-	-	3,640,618	15	PLTSVC-N	3,640,618	1,495,396	2,016,930	91,838	35,960	3,640,618
17		Oct - 2023		17,699,242	-	-	17,699,242	15	PLTSVC-N	17,699,242	7,272,425	9,805,513	446,481	174,823	17,699,242
18		Nov - 2023		16,523,824	-	-	16,523,824	15	PLTSVC-N	16,523,824	6,789,459	9,151,323	416,830	163,213	16,523,824
19		Dec - 2023		14,647,672	-	-	14,647,672	15	PLTSVC-N	14,647,672	6,018,568	8,114,920	369,502	144,682	14,647,672
21		13-Month Average Balance		9,396,259	-	-	9,396,259			9,396,259	3,860,820	5,205,598	237,030	92,811	9,396,259
23		Jan - 2024		-	-	-	-	15	PLTSVC-N	-	-	-	-	-	-
24		Feb - 2024		-	-	-	-	15	PLTSVC-N	-	-	-	-	-	-
25		Mar - 2024		-	-	-	-	15	PLTSVC-N	-	-	-	-	-	-
27	1650	Other Taxes													
28		Dec - 2022		11,757,700	-	\$(10,435,750)	-	3	DIST	-	-	-	-	-	-
29		Jan - 2023		-	-	-	-	3	DIST	-	-	-	-	-	-
30		Feb - 2023		-	-	-	-	3	DIST	-	-	-	-	-	-
31		Mar - 2023		11,534,083	-	\$(11,534,083)	-	3	DIST	-	-	-	-	-	-
32		Apr - 2023		-	-	-	-	3	DIST	-	-	-	-	-	-
33		May - 2023		-	-	-	-	3	DIST	-	-	-	-	-	-
34		Jun - 2023		12,009,346	-	\$(12,009,346)	-	3	DIST	-	-	-	-	-	-
35		Jul - 2023		-	-	-	-	3	DIST	-	-	-	-	-	-
36		Aug - 2023		-	-	-	-	3	DIST	-	-	-	-	-	-
37		Sep - 2023		12,016,362	-	\$(12,016,362)	-	3	DIST	-	-	-	-	-	-
38		Oct - 2023		-	-	-	-	3	DIST	-	-	-	-	-	-
39		Nov - 2023		-	-	-	-	3	DIST	-	-	-	-	-	-
40		Dec - 2023		12,005,359	-	\$(12,005,359)	-	3	DIST	-	-	-	-	-	-
42		13-Month Average Balance		4,563,296	-	\$(4,563,296)									
44		Jan - 2024		-	-	-	-	3	DIST	-	-	-	-	-	-
45		Feb - 2024		-	-	-	-	3	DIST	-	-	-	-	-	-
46		Mar - 2024		-	-	-	-	3	DIST	-	-	-	-	-	-
48	1650	Prepay Other	II-B-10												
49		Dec - 2022		17,773,876	-	\$(16,694,932)	1,098,944	15	PLTSVC-N	1,098,944	451,544	608,823	27,732	10,855	1,098,944
50		Jan - 2023		17,591,085	-	\$(16,534,083)	1,060,502	15	PLTSVC-N	1,060,502	433,543	587,249	26,340	10,470	1,060,502
51		Feb - 2023		19,167,922	-	\$(18,435,258)	2,732,666	15	PLTSVC-N	2,732,666	1,122,823	1,513,918	68,934	26,992	2,732,666
52		Mar - 2023		20,326,508	-	\$(19,823,834)	3,102,104	15	PLTSVC-N	3,102,104	1,274,620	1,718,589	78,254	30,641	3,102,104
53		Apr - 2023		20,377,713	-	\$(19,058,342)	3,300,371	15	PLTSVC-N	3,300,371	1,356,086	1,828,431	83,255	32,599	3,300,371
54		May - 2023		19,752,602	-	\$(18,935,280)	2,822,323	15	PLTSVC-N	2,822,323	1,159,602	1,563,588	71,196	27,877	2,822,323

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-10 PREPAYMENTS
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

Line No.	FLRC Account	Description	Reference Schedule	(1) Total Company	(2) Non-Regulated or Non-Electric	(3) Known and Measurable Changes	(4) Company Total Electric	(5) FT #	(6) Functionalization Factor Name	(7) Allocation to Texas	(8) TRAN	(9) DIST	(10) MIT	(11) TDCS	(12) Total
55		Jun - 2023		19,167,079	-	(16,783,218)	2,383,861	15	PLTSVC-N	2,383,861	979,502	1,320,677	60,135	23,546	2,383,861
56		Jul - 2023		19,918,796	-	(16,696,656)	3,282,551	15	PLTSVC-N	3,282,551	1,318,561	1,818,558	82,896	32,423	3,282,551
57		Aug - 2023		19,222,943	-	(16,489,098)	2,733,850	15	PLTSVC-N	2,733,850	1,123,309	1,514,573	68,964	27,003	2,733,850
58		Sep - 2023		18,583,694	-	(16,584,051)	2,211,662	15	PLTSVC-N	2,211,662	921,075	1,241,898	56,543	22,112	2,211,662
59		Oct - 2023		18,245,449	-	(16,194,969)	2,050,480	15	PLTSVC-N	2,050,480	842,520	1,135,981	51,725	20,253	2,050,480
60		Nov - 2023		19,117,300	-	(16,947,972)	3,369,393	15	PLTSVC-N	3,369,393	1,391,117	1,866,669	91,996	33,281	3,369,393
61		Dec - 2023		20,118,122	-	(16,732,092)	3,386,031	15	PLTSVC-N	3,386,031	1,391,283	1,875,886	85,416	33,445	3,386,031
62															
63		13-Month Average Balance		19,204,846	-	(16,622,982)	2,581,864			2,581,864	1,060,860	1,430,372	65,130	25,502	2,581,864
64															
65		Jan - 2024		-	-	-	-	15	PLTSVC-N	-	-	-	-	-	-
66		Feb - 2024		-	-	-	-	15	PLTSVC-N	-	-	-	-	-	-
67		Mar - 2024		-	-	-	-	15	PLTSVC-N	-	-	-	-	-	-
68															
69	1650	Executive Benefits	II-B-10												
70		Dec - 2022		3,796,381	-	(3,796,381)	-	12	PAYXAG	-	-	-	-	-	-
71		Jan - 2023		3,228,472	-	(3,228,472)	-	12	PAYXAG	-	-	-	-	-	-
72		Feb - 2023		2,796,813	-	(2,796,813)	-	12	PAYXAG	-	-	-	-	-	-
73		Mar - 2023		2,291,425	-	(2,291,425)	-	12	PAYXAG	-	-	-	-	-	-
74		Apr - 2023		1,833,590	-	(1,833,590)	-	12	PAYXAG	-	-	-	-	-	-
75		May - 2023		1,360,494	-	(1,360,494)	-	12	PAYXAG	-	-	-	-	-	-
76		Jun - 2023		910,876	-	(910,876)	-	12	PAYXAG	-	-	-	-	-	-
77		Jul - 2023		2,258,388	-	(2,258,388)	-	12	PAYXAG	-	-	-	-	-	-
78		Aug - 2023		1,592,818	-	(1,592,818)	-	12	PAYXAG	-	-	-	-	-	-
79		Sep - 2023		1,633,618	-	(1,633,618)	-	12	PAYXAG	-	-	-	-	-	-
80		Oct - 2023		1,102,307	-	(1,102,307)	-	12	PAYXAG	-	-	-	-	-	-
81		Nov - 2023		4,285,327	-	(4,285,327)	-	12	PAYXAG	-	-	-	-	-	-
82		Dec - 2023		3,786,984	-	(3,786,984)	-	12	PAYXAG	-	-	-	-	-	-
83															
84		13-Month Average Balance		2,368,269	-	(2,368,269)	-			-	-	-	-	-	-
85															
86		Jan - 2024		-	-	-	-	12	PAYXAG	-	-	-	-	-	-
87		Feb - 2024		-	-	-	-	12	PAYXAG	-	-	-	-	-	-
88		Mar - 2024		-	-	-	-	12	PAYXAG	-	-	-	-	-	-
89															
90	1650	Prepaid Pension Assets	II-B-10												
91		Dec - 2022		-	-	59,192,340	59,192,340	12	PAYXAG	59,192,340	11,645,363	37,972,378	6,542,379	3,032,221	59,192,340
92		Jan - 2023		-	-	56,744,055	56,744,055	12	PAYXAG	56,744,055	11,163,693	36,401,783	6,271,777	2,906,803	56,744,055
93		Feb - 2023		-	-	55,831,078	55,831,078	12	PAYXAG	55,831,078	10,984,076	35,816,100	6,170,867	2,860,035	55,831,078
94		Mar - 2023		-	-	51,918,100	51,918,100	12	PAYXAG	51,918,100	10,804,139	35,239,417	6,069,958	2,813,266	51,918,100
95		Apr - 2023		-	-	54,005,122	54,005,122	12	PAYXAG	54,005,122	10,624,842	34,644,734	5,969,049	2,766,497	54,005,122
96		May - 2023		-	-	53,092,145	53,092,145	12	PAYXAG	53,092,145	10,415,221	31,039,052	5,868,140	2,719,728	53,092,145
97		Jun - 2023		-	-	52,179,167	52,179,167	12	PAYXAG	52,179,167	10,265,607	33,473,369	5,767,231	2,672,960	52,179,167
98		Jul - 2023		-	-	51,266,190	51,266,190	12	PAYXAG	51,266,190	10,085,990	32,887,686	5,666,322	2,626,191	51,266,190
99		Aug - 2023		-	-	50,353,212	50,353,212	12	PAYXAG	50,353,212	9,906,373	32,302,004	5,565,413	2,579,422	50,353,212
100		Sep - 2023		-	-	49,440,234	49,440,234	12	PAYXAG	49,440,234	9,726,736	31,716,321	5,464,504	2,532,654	49,440,234
101		Oct - 2023		-	-	48,527,257	48,527,257	12	PAYXAG	48,527,257	9,547,139	31,130,638	5,363,595	2,485,885	48,527,257
102		Nov - 2023		-	-	52,381,282	52,381,282	12	PAYXAG	52,381,282	10,305,371	33,603,027	5,789,570	2,683,313	52,381,282
103		Dec - 2023		-	-	51,468,304	51,468,304	12	PAYXAG	51,468,304	10,125,754	33,017,345	5,688,661	2,636,545	51,468,304
104															
105		13-Month Average Balance		-	-	53,030,653	53,030,653			53,030,653	10,433,125	34,019,604	5,861,344	2,716,578	53,030,653
106															
107		Jan - 2024		-	-	-	-	12	PAYXAG	-	-	-	-	-	-
108		Feb - 2024		-	-	-	-	12	PAYXAG	-	-	-	-	-	-

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-10 PREPAYMENTS
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No.	ELRC Account	Description	Reference Schedule	Total Company	Non-Regulated or Non-Electric	Known and Measurable Changes	Company Total Electric	FT #	Functionalization Factor Name	Allocation to Texas	TRAN	DIST	MILT	TDOS	Total
109		Mar - 2024		-	-	-	-	12	PAYXAG	-	-	-	-	-	-
110															
111		TOTAL PREPAYMENTS	II-B-10	35,532,670	-	29,476,106	65,008,777			65,008,777	15,354,807	40,655,575	6,163,504	2,834,892	65,008,777
112															
113		Working Capital Total	II-B-8 - II-B-10	543,027,532		(102,533,341)	440,494,191			440,494,191	220,456,569	205,339,069	10,809,767	3,888,786	440,494,191

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-11 OTHER RATE CASE ITEMS
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No.	FERC Account	Description	Reference Schedule	Total Company	Non-Regulated or Non-Electric	Known and Measurable Changes	Company Total Electric	FR #	Functionalization Factor Name	Allocation to Texas	TRAN	DIST	MET	TDOS	Total
1															
2		Other Rate Base Items													
3															
4		Customer Deposits & Advances													
5	2350	Customer Deposits-Miscellaneous		185,981	-	85,981	-	1	DA	-	-	-	-	-	-
6	2350	Customer Deposits		6,974	-	6,974	-	1	DA	-	-	-	-	-	-
7	2350	Customer Deposits-ROW Damage		1310,166	-	-	1310,166	2	TRAN	(310,166)	(310,166)	-	-	-	1310,166
8	2521	Cust Adv Constr-Old Jobs-Refund		(37,013,212)	-	-	(37,013,212)	1	TRAN	(37,013,212)	(37,013,212)	-	-	-	(37,013,212)
9															
10		Subtotal Customer Deposits & Advances		(37,446,336)	-	92,958	(37,353,378)			(37,353,378)	(37,353,378)	-	-	-	(37,353,378)
11															
12		Non-Tax Related Regulatory Liabilities													
13	2510	Current Regulatory Liability		95,172	-	(95,172)	-	1	DA	-	-	-	-	-	-
14	2540	Reg Liability TCRU		(78,683,831)	-	78,683,831	-	1	DA	-	-	-	-	-	-
15	2510	Reg Liability - Other		11,652,163	-	-	11,652,163	3	DIST	(1,652,163)	-	(1,652,163)	-	-	11,652,163
16	2540	Reg Liability Pension Deferral		(70,062,252)	-	-	(70,062,252)	12	PAYXAG	(70,062,252)	(13,783,884)	(44,043,517)	(7,743,805)	(3,589,049)	(70,062,252)
17	2510	Reg Liab(Tax)-Interest Rate Hedge		5,990,771	-	5,990,771	-	1	DA	-	-	-	-	-	-
18	2540	Regulatory Liability Ben Plans AOCI Offset		(82,208,846)	-	82,208,846	-	1	DA	-	-	-	-	-	-
19															
20		Subtotal Non-Tax Regulatory Liabilities		(238,502,694)	-	166,788,278	(71,714,416)			(71,714,416)	(13,783,884)	(46,597,690)	(7,743,803)	(3,589,049)	(71,714,416)
21															
22		Tax Related Regulatory Liabilities													
23	2510	OCI ASC 815 Prefct.		-	-	-	-	1	DA	-	-	-	-	-	-
24	2540	Reg NC Liab EDIT - Plant		(656,607,521)	-	443,044	(656,164,476)	21	GPLT	(656,164,476)	(236,817,544)	(390,197,283)	(20,870,276)	(8,279,373)	(656,164,476)
25	2510	REG NC LIAB EDIT - ARAM AMORT		(38,586,966)	-	-	(38,586,966)	21	GPLT	(38,586,966)	(13,926,191)	(22,916,273)	(1,227,315)	(186,881)	(38,586,966)
26															
27		Subtotal Tax Regulatory Liabilities		(695,194,487)	-	443,044	(694,751,442)			(694,751,442)	(250,744,038)	(413,143,556)	(22,097,591)	(8,766,257)	(694,751,442)
28															
29		TOTAL OTHER RATE BASE ITEMS	II-B-11	(971,143,516)	-	167,324,280	(803,819,236)			(803,819,236)	(301,881,300)	(459,741,236)	(29,841,394)	(12,355,306)	(803,819,236)

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
FILED REGULATORY ASSETS
FISCAL YEAR ENDING 12/31/2023
DOCKET NO. 56111
SPONSOR: E. COLVIN

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(13)	
Line No.	ITRC Account	Description	Reference Schedule	Total Company	Non-Regulated or Non-Electric	Known and Measurable Changes	Company Total Electric	IT #	Functionalization Factor Name	Allotment to Texas	TRAN	DIST	MTT	TDGR	Total	Authority	Order (Docket No. and Page)
1		Other Rate Base Items															
2		Regulatory Assets in Rate Base	II-B-12														
3																	
4		Non-Linear Related Regulatory Assets															
5		Regulatory Assets-THPT Other		(9,526,573)	-	9,526,573	-	1	DA	-	-	-	-	-	-	*	*
6	IS25	Regulatory Assets-RECEP OU		9,120,810	-	(9,120,810)	-	1	DA	-	-	-	-	-	-	*	*
7	IS25	Regulatory Assets-Ind Debt		8,104,940	-	(277,498)	8,027,442	3	TDGR	8,027,442	-	-	-	8,027,442	8,027,442	*	*
8	IS25	Reg. Asset Rctd/Inv Incremental Costs		8,104,605	-	-	8,104,605	71	COVID	8,104,605	1,037,615	6,341,078	484,902	338,739	8,104,605	*	*
9	IS25	Regulatory Assets-Typhoon Harvey		26,498,322	-	11,440,134	37,938,456	71	HARVTV	37,938,456	-	482,348	37,456,108	-	37,938,456	*	*
10	IS25	Regulatory Assets-Expedited Switch		303,913	-	-	303,913	4	ME1	303,913	-	-	303,913	-	303,913	*	*
11	IS25	Regulatory Assets-Rate Case Expense		1,851,364	-	(2,851,104)	-	1	DA	-	-	-	-	-	-	*	*
12	IS25	Reg. Assets - SMLF		7,215,579	-	-	7,215,579	4	ME1	7,215,579	-	-	7,215,579	-	7,215,579	*	*
13	IS25	Regulatory Assets-Load Management Program		1,084,848	-	-	1,084,848	65	DIST	1,084,848	-	1,084,848	-	-	1,084,848	*	*
14	IS25	Regulatory Assets-Long Lead Time Facilities		7,193,354	-	(12,377,949)	6,213,603	62	MA1 SUP	6,213,603	3,324,019	2,731,112	60,172	-	6,213,603	*	*
15	IS25	Regulatory Assets-Emergency Generation		106,661,928	-	(106,661,928)	-	1	DA	-	-	-	-	-	-	*	*
16	IS25	Regulatory Assets-Emergency Generation, LLC		199,922,931	-	(199,922,931)	-	1	DA	-	-	-	-	-	-	*	*
17	IS25	2021 Hurricane Nicholas		50,527,267	-	-	50,527,267	78	NICHOTLAS	50,527,267	-	-	50,527,267	-	50,527,267	*	*
18	IS25	2021 Winter Storm Uri		17,313,260	-	-	17,313,260	79	URI	17,313,260	538,406	-	16,751,774	-	17,313,260	*	*
19	IS25	Regulatory Assets - Storm Costs Other		45,045,935	-	-	45,045,935	72	STORMA	45,045,935	1,309,440	41,736,496	-	-	45,045,935	*	*
20	IS25	Regulatory Assets-2007 Securitization		28,653	-	(28,653)	-	1	DA	-	-	-	-	-	-	*	*
21	IS25	Regulatory Assets-Asset Retire Oblig		20,009,601	-	(20,009,601)	-	1	DA	-	-	-	-	-	-	*	*
22																	
23																	
24																	
25		Subtotal Non-Linear Regulatory Assets		910,665,905	-	(726,859,967)	183,776,940			183,776,940	6,911,946	160,554,674	5,064,499	8,265,821	183,776,940		
26																	
27		Linear Related Regulatory Assets	II-B-12														
28	IS25	Regulatory Assets-Docket		25,814,666	-	(25,814,666)	-	1	DA	-	-	-	-	-	-	*	*
29	IS25	Reg. Asset-Dispatch/Dispatch (DPS)		10,979,173	-	-	10,979,173	13	PAYLAG	10,979,173	3,160,017	7,049,230	1,213,290	562,455	10,979,173	*	*
30	IS25	100% R-Reg ATTC: Close (Reg. Tax Assets)		60,621,951	-	(60,621,951)	-	1	DA	-	-	-	-	-	-	*	*
31	IS25	Asset 100% R-Reg APUDC (Reg. Tax Assets)		19,139,656	-	-	19,139,656	-	1	DA	-	-	-	-	-	*	*
32	IS25	100% R-Net Tx Debt APD (Reg. Tax Assets)		2,435,348	-	-	2,435,348	-	1	DA	-	-	-	-	-	*	*
33	IS25	Asset 100% R-Net Tx APD (Reg. Tax Assets)		2,369,696	-	-	2,369,696	-	1	DA	-	-	-	-	-	*	*
34	IS25	100% R-Proc Fee DTTT (Reg. Tax Assets)		(41,974,916)	-	-	(41,974,916)	21	CPPT	(41,974,916)	(15,510,164)	(25,555,640)	(1,366,881)	(542,251)	(41,974,916)	*	*
35	IS25	Asset 100% R-Proc Fee DTTT (Reg. Tax Assets)		(41,974,916)	-	-	(41,974,916)	21	CPPT	(41,974,916)	(15,510,164)	(25,555,640)	(1,366,881)	(542,251)	(41,974,916)	*	*
36	IS25	100% R-Invent Tax CR (Reg. Tax Assets)		2,133,247	-	-	2,133,247	-	1	DA	-	-	-	-	-	*	*
37	IS25	Asset 100% R-Invent Tax CR (Reg. Tax Assets)		2,133,247	-	-	2,133,247	-	1	DA	-	-	-	-	-	*	*
38	IS25	100% R-Proc Fee DTTT (Reg. Tax Assets)		(41,974,916)	-	-	(41,974,916)	21	CPPT	(41,974,916)	(15,510,164)	(25,555,640)	(1,366,881)	(542,251)	(41,974,916)	*	*
39	IS25	Non-Current Process Account, Deferred Taxes & Other		46,606,774	-	-	46,606,774	21	CPPT	46,606,774	16,853,420	27,768,882	1,485,260	580,212	46,606,774	*	*
40																	
41		Subtotal Tax Regulatory Assets		124,259,435	-	(67,276,393)	56,983,041			56,983,041	18,727,267	34,349,691	2,673,249	1,141,633	56,983,041		
42																	
43		TOTAL REG II-B-12	II-B-12	1,034,925,341	-	(794,136,360)	240,659,981			240,659,981	25,639,214	194,875,274	10,738,939	9,407,454	240,659,981		
44																	
45		TOTAL OTH II-B-6-12		(793,119,440)	-	(670,029,718)	-			(1,463,149,158)	(503,742,027)	(779,203,589)	(57,170,700)	(23,553,845)	(1,363,149,158)		
46																	
47		TOTAL RATE II-B-1-12		13,679,527,892	-	(1,837,853,063)	-			11,846,674,829	4,869,722,003	6,558,403,159	280,338,283	109,660,784	11,846,674,829		
48																	
49		Rate of Return		7.03%	7.03%	7.03%	7.03%			7.03%	7.03%	7.03%	7.03%	7.03%	7.03%		
50																	
51																	
52		RETURN ON RATE BASE		961,892,696	-	(128,879,300)	-			833,013,396	3,869,222,003	463,271,607	19,715,586	7,640,616	833,013,396	-	-

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
11-B-12a REGULATORY ASSETS - NARRATIVE
TEST YEAR ENDING 12/31/2023
DOCKET NO. S6211
SPONSOR: K. COLVIN

Line No.	FERC Account	Description	Docket FOF	Narrative	
1		Other Rate Base Items			
2		Regulatory Assets in Rate Base			
3					
4		Non-Tax Related Regulatory Assets			
5	1823	Regulatory Assets-Bad Debt	Substantive Rule §25.107 Docket No. 49421	Deferral of bad debts resulting from defaults by Retail Electric Providers (REPs) for recovery in this rate case proceeding. On March 13, 2020, in response to the growing threat of the coronavirus disease (COVID-19), Texas' Governor issued a Declaration of State of Disaster for all counties in Texas. This Commission Order addresses the effects of COVID-19 for services provided by electric utilities and water and sewer utilities in the state of Texas. Through this Order, the Commission takes steps to provide regulated utility companies some regulatory certainty by authorizing the use of an accounting mechanism and a subsequent process through which regulated utility companies may seek future recovery of expenses resulting from the effects of COVID-19.	179023
6	1823	Reg Asset Relief Prog Incremental Costs	Docket No. 50664 108		179024
7	1823	Regulatory Assets-Hurricane Harvey	Accounting Standards Codification (ASC) 980 Regulated Operations recovery assumption based on previously approved storm costs - Docket No. 38339, FOF 116 Docket No. 49421	Hurricane Harvey, a major storm classified as a Category 4 hurricane on the Saffir-Simpson Hurricane Wind Scale, first struck the Texas coast on Friday, August 23, 2017 and remained over the Houston area for the next several days. The unprecedented flooding from torrential amounts of rainfall accompanying the storm caused significant damage to or destruction of CenterPoint Energy Houston Electric assets. The account includes deferred incremental costs incurred as a result of Hurricane Harvey. They are operational and maintenance (O&M) in nature and are not recoverable through insurance proceeds.	179030
8	1823	Regulatory Assets-Expedited Switch	Substantive Rule §25.474 (e) Project No. 36536 Docket No. 38339, FOFs 65 and 66 Docket No. 49421	Recovery is allowed for the increased costs incurred in shorting the timeline for customers switching REPs ("Expedited Switches"). Costs incurred after 2009 are deferred and request for recovery in this rate case proceeding. Per Docket No. 47364, it is appropriate for the Company to account for its reasonable and necessary operating and maintenance costs associated with the common web portal required by 16 Texas Administrative Code (TAC) §25.130(d), (g) and (j), authorized in the Company's AMS deployment plan, developed through Project No. 34610, commonly known as Smart Meter Texas (SMT) costs. It is reasonable for the Company to establish a regulatory asset to track SMT costs incurred after the end of the final AMS reconciliation period paid prior to the implementation date of new base rates resulting from its next comprehensive base rate proceeding.	179032
9	1823	Regulatory Assets - SMT	Docket No. 47364 FOF 13c Docket No. 49421		179046
10	1823	Regulatory Assets-Load Management Progr	Docket No. 52689 Ordering Paragraph 2	On January 12, 2022, The Public Utility Commission of Texas (P.U.C.T.) issued a Final Order in Docket 52689 authorizing CenterPoint Energy to operate an interim load-management program for nonresidential customers from December 1, 2021 to February 28, 2022. CenterPoint may defer the reasonable and necessary costs associated with the design and operation of its interim load-management program incurred after December 16, 2021 until February 28, 2022 that are not recovered through other means and record those costs in an asset account.	179047
11	1823	Regulatory Assets-Long Lead Time Facilities	P.U.R.A. 39.918	Under P.U.R.A. 39.918 Utility Facilities for Power Restoration After Significant Power Outage, CenterPoint Energy deferred qualified long lead time materials' carrying costs and incremental O&M to seek recovery in the Company's next base rate proceeding.	179049

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
11-B-12a REGULATORY ASSETS - NARRATIVE
TEST YEAR ENDING 12/31/2023
DOCKET NO. S6211
SPONSOR: K. COLVIN

12	1823	Regulatory Assets-Hurricane Nicholas	Accounting Standards Codification (ASC) 980 Regulated Operations recovery assumption based on previously approved storm costs - Docket No. 38339, FOF 116	Hurricane Nicholas was a slow-moving and erratic Category 1 hurricane that made landfall in Texas in mid-September 2021. The storm left at least 503,000 without power in Texas, mostly in the Houston area. An estimated 33 percent of Galveston County residents were without power. Texas' Governor issued disaster declaration on September 13, 2021. The account includes deferred incremental costs incurred as a result of Hurricane Nicholas. They are operational and maintenance (O&M) in nature and are not recoverable through insurance proceeds.	179055
13	1823	Regulatory Assets-Winter Storm Uri	Accounting Standards Codification (ASC) 980 Regulated Operations recovery assumption based on previously approved storm costs - Docket No. 38339, FOF 116	Winter Storm Uri was a major winter and ice storm which caused up to approx. 18.6% of generation under ERCOT to fail, with Houston at or below freezing for 44 consecutive hours and temperatures as low as 13 degrees. The State grid frequency was approx. 5 minutes away from triggering dangerous levels of automatic generator shut off. CEHE was ordered to shed approx. 25% of its load. (2.2_REVISDED_ERCOT_Presentation.pdf). On Feb. 19th, it was declared a "major disaster" by the President (FFMA-4586-DR) from Feb. 11th onward. Most of this asset is employee and contractor labor.	179056
14	1823	Regulatory Assets-Hurricane Laura	Accounting Standards Codification (ASC) 980 Regulated Operations recovery assumption based on previously approved storm costs - Docket No. 38339, FOF 116	Hurricane Laura, a major storm classified as a Category 4 hurricane on the Saffir-Simpson Hurricane Wind Scale. Houston Electric Operations activated EOP Tuesday, August 23, 2020. The account includes deferred incremental costs incurred as a result of Hurricane Laura. They are operational and maintenance (O&M) in nature and are not estimated to be recoverable through insurance proceeds. Approximately 70% of this asset is related to mutual assistance activated as a reasonable and necessary measure to provide restoration of service and infrastructure based on the probable impact to CEHE's service territory.	179057
15					
16					
17					
18		Tax Related Regulatory Assets			
19	1823	Reg Asset-Postretirement (RDS)	Docket No. 38339 FOF 152 and 159A	Deferral tax charges resulted from the elimination of the tax deductibility of the Medicare Part D Subsidy in the Postretirement Plan due to the passage of the Affordable Care Act in March of 2010. A regulatory asset is created due to the fact that the tax benefit was previously passed through to the rate payers by being included in the rate calculation for the years prior to 2010. ASC 740 (formerly SFAS 109) requires adjustment of a deferred tax liability or asset for enacted changes in the tax laws or tax rates. Therefore, the reduction of the corporate federal income tax rate from 46 percent to 34 percent by the Tax Reform Act of 1986 requires a reduction in deferred tax liabilities. The Tax Cuts and Jobs Act of 2017 lowered the corporate federal income tax rate from 35 percent to 21 percent. If the actions of regulators make it probable that a decrease in tax rates will result in a reduction in rate revenues, a liability to ratepayers should be recorded. Please note that the regulatory liability is recorded as a negative asset on CEHE's books.	179105
20	1823	Excise Accumm Deferred Taxes & Other (Current and Non-Current)	ASC 740, Income Taxes Docket No. 38339		179140-179150

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-13 GAIN OR LOSS ON SALE OF UTILITY ASSETS
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	FERC Account	Property Name	Included in Rates?	Year Placed into Service	Previous Docket No.	Book Amount	Net Sales Amount	Gain or (Loss)	PF #	Functionalization Factor Name	Allocation to Texas	TRAN	DIST	MIT	TDOS	Total

1

2

CHH did not have any gains/losses on the sale of utility assets in 2023

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-14 FUNDED (UNFUNDED) PENSION AND OTHER POST-EMPLOYMENT BENEFITS BALANCE
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Line No.	Description	Total Recoverable Expenses	Amount in Balance Sheet and Other	Amount as Operating Expense in Rates	Deferred Amount	Cumulative Deferral Amount	Amount Approved in Docket 49421	Regulatory Asset (Liability) Balance
1	Pension Deferral Regulatory Asset (Liability)							
2	Beginning Balance	-	-	-	-	-	(60,612,126)	(60,612,126)
3								
4	2019	50,278,042	23,293,301	39,806,503	(12,821,762)	(12,821,762)	-	(73,463,888)
5	2019 Amortization	-	-	-	-	-	-	-
6	2020	22,091,525	10,507,988	30,657,032	(19,163,195)	(31,985,257)	-	(81,272,216)
7	2020 Amortization	-	-	-	-	-	8,355,137	-
8	2021	36,199,290	18,792,500	26,525,013	(9,118,233)	(41,103,480)	-	(81,262,043)
9	2021 Amortization	-	-	-	-	-	12,128,425	-
10	2022	62,685,212	32,260,332	26,525,013	3,899,867	(37,203,613)	-	(65,233,751)
11	2022 Amortization	-	-	-	-	-	12,128,425	-
12	2023	24,287,230	14,719,144	26,525,013	(16,956,927)	(54,160,540)	-	(70,062,252)
13	2023 Amortization	-	-	-	-	-	12,128,425	-
14								
15	Balance at December 31, 2023	195,541,299	99,663,265	150,038,574	(54,160,540)	(54,160,540)	(15,901,713)	(70,062,252)

Period	Rate	Amount Capitalized (Grossed)	Amount Transferred to Plant
Jan-Dec-01	7.0%	\$2,614,797	\$2,579,112
Jan-Dec-02	6.75%	11,037,489	1,799,700
Jan-Dec-03	7.25%	12,290,489	\$3,616,134
Jan-Dec-04	7.5%	7,743,702	\$4,040,732
Jan-Dec-05	6.25%	4,747,282	\$4,397,067
Total		\$67,104,057	\$23,375,447

[illegible]

Line Item	FFSFC Account	Description	Reference Schedule	Local Company	Home Jurisdiction - Fiscal Year	US GAAP Measure - Change	Company Fiscal Year	FFSFC	Financial Statement Line Item	At Risk to the Firm	GAAP	Local	ML	LCU	TFR
1		General Plant - Gross	Table 1A												
2	2590	Land and Land Use						1	2590						
3	2591	Land and Land Rights						2	2591						
4	2592	Structures and Improvements						3	2592						
5	2593	Plant - Furniture and Equipment						4	2593						
6	2594	Transportation Equipment						5	2594						
7	2595	Tools and Equipment						6	2595						
8	2596	Construction and Storage Equipment						7	2596						
9	2597	Construction Equipment						8	2597						
10	2598	Construction Equipment						9	2598						
11	2599	Construction Equipment						10	2599						
12	2600	Construction Equipment						11	2600						
13	2601	Construction Equipment						12	2601						
14	2602	Construction Equipment						13	2602						
15	2603	Construction Equipment						14	2603						
16	2604	Construction Equipment						15	2604						
17	2605	Construction Equipment						16	2605						
18	2606	Construction Equipment						17	2606						
19	2607	Construction Equipment						18	2607						
20	2608	Construction Equipment						19	2608						
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138	2726	Construction Equipment						137	2726						
139	2727	Construction Equipment						138	2727						
140	2728	Construction Equipment						139	2728						

24	24.00	General Services Department	4,811	4,811	27	7,926	4,413	939	1,182	46	4,811	
25												
26			Subtotal	472,264	-	-	472,264	176,506	2,401,188	31,677	656	472,264
27	General Plant	Miscellaneous										
28	28.00	Maintenance Department	44,394	44,394	6	5,968	14,432	4,182	13,118	419	1,128	44,394
29	29.00	Plant Services Department										
30												
31			Subtotal	44,394	-	-	44,394	3,480	35,880	430	3,636	44,394
32												
33			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
34												
35			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
36												
37			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
38												
39			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
40												
41			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
42												
43			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
44												
45			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
46												
47			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
48												
49			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
50												
51			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
52												
53			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
54												
55			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
56												
57			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
58												
59			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
60												
61			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
62												
63			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
64												
65			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
66												
67			Subtotal	516,658	-	-	516,658	180,006	2,437,073	32,207	692	516,658
68												
69			Subtotal	516,658	-	-	516,658	1				

[illegible]

Attachment C-KJC-3-OPUC RFP Schedules
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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-15B: CONSTRUCTION OVERHEAD (COH)
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

Period	Rate	Amount Capitalized Generated	Amount Transferred to Plant
Jan-Dec 2019	Various	58,720,130	78,402,199
Jan-Dec 2020	Various	121,564,022	63,724,189
Jan-Dec 2021	Various	159,564,811	105,418,148
Jan-Dec 2022	Various	235,852,144	152,496,650
Jan-Dec 2023	Various	263,332,398	153,062,467
Total		842,034,134	553,133,654

Line No.	FRCR Account	Description	Reference Schedule	(1) Total Company	(2) Non-Regulated or Non-Electric	(3) Known and Measurable Changes	(4) Company Total Electric	(5) FF %	(6) Functionalization Factor Name	(7) Allocation to Texas	(8) TRAN	(9) DIST	(10) MKT	(11) TDCS	(12) Total
1	Allowance for Funds Used During Construction	II-B-15B													
2	1050 ARUDC incurred/generated			842,034,134		(842,034,134)	-	1	DA	-	-	-	-	-	-
3															
4															
5		Subtotal		842,034,134	-	(842,034,134)	-			-	-	-	-	-	-
6															
7	TOTAL CWIP	II-B-15B		842,034,134	-	(842,034,134)	-			-	-	-	-	-	-

Line No.	FRCR Account	Description	Reference Schedule	(1) Total Company	(2) Non-Regulated or Non-Electric	(3) Known and Measurable Changes	(4) Company Total Electric	(5) FF %	(6) Functionalization Factor Name	(7) Allocation to Texas	(8) TRAN	(9) DIST	(10) MKT	(11) TDCS	(12) Total
1	Intangible Plant - Gross	II-B-15B													
2	303.02 Misc Intangible Plant - NMF SW			144,308	-	-	144,308	23	E30302	144,308	20,490	37,315	41,781	44,723	144,308
3	303.05 Misc Int. - SW 5 yrs			11,852	-	-	11,852	23	E30302	11,852	1,685	3,065	3,431	3,673	11,852
4	303.07 Misc Int. - SW 7 yrs			-	-	-	-	23	E30302	-	-	-	-	-	-
5	303.10 Misc Int. - SW 10 yrs			8,737,812	-	-	8,737,812	23	E30302	8,737,812	1,210,680	2,259,401	2,529,812	2,707,948	8,737,812
6	303.15 Misc Int. - SW 15 yrs			-	-	-	-	23	E30302	-	-	-	-	-	-
7															
8		Subtotal		8,894,002	-	-	8,894,002			8,894,002	1,262,853	2,299,781	2,575,025	2,756,344	8,894,002
9															
10	Transmission Plant - Gross	II-B-15B													
11	350.01 Land and Land Fees			193,715	-	-	193,715	25	E35001	193,715	189,785	3,929	-	-	193,715
12	350.02 Land and Land Rights			678,641	-	-	678,641	26	E35002	678,641	678,633	8	-	-	678,641
13	352.01 Structures and Improvements			1,158,326	-	-	1,158,326	27	E35201	1,158,326	1,105,041	53,285	-	-	1,158,326
14	353.01 Station Equipment			18,124,493	-	-	18,124,493	28	E35301	18,124,493	16,496,719	1,627,774	-	-	18,124,493
15	354.01 Towers and Fixtures			56,601,572	-	-	56,601,572	29	E35401	56,601,572	56,601,572	-	-	-	56,601,572
16	355.01 Poles, Towers, and Fixtures			4,663,550	-	-	4,663,550	30	E35501	4,663,550	4,663,550	-	-	-	4,663,550
17	356.01 Overhead Conductors and Devices			42,335,824	-	-	42,335,824	31	E35601	42,335,824	42,335,824	-	-	-	42,335,824
18	357.01 Underground Conduit			9,046	-	-	9,046	32	E35701	9,046	9,046	-	-	-	9,046
19	358.01 Underground Conductors and Devices			323,615	-	-	323,615	33	E35801	323,615	323,615	-	-	-	323,615
20	359.01 Roads and Trails			32,324,149	-	-	32,324,149	34	E35901	32,324,149	32,324,149	-	-	-	32,324,149
21															
22		Subtotal		156,412,931			156,412,931			156,412,931	154,727,934	1,684,997			156,412,931
23															
24	Distribution Plant - Gross	II-B-15B													
25	360.01 Land and Land Fees			6,394,563	-	-	6,394,563	35	E36001	6,394,563	1,928,636	4,465,927	-	-	6,394,563
26	360.02 Land and Land Rights			-	-	-	-	36	E36002	-	-	-	-	-	-
27	361.01 Structures and Improvements			4,018,037	-	-	4,018,037	37	E36101	4,018,037	1,310,557	2,677,479	-	-	4,018,037
28	362.01 Station Equipment			17,616,655	-	-	17,616,655	38	E36201	17,616,655	6,293,649	11,323,007	-	-	17,616,655
29	364.01 Poles, Towers and Fixtures			82,447,571	-	-	82,447,571	39	E36401	82,447,571	-	32,447,571	-	-	82,447,571
30	365.01 Overhead Conductors and Devices			64,580,459	-	-	64,580,459	40	E36501	64,580,459	-	64,580,459	-	-	64,580,459

Attachment C-KJC-3-OPUC RFP Schedules
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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-15B: CONSTRUCTION OVERHEAD (COH)
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

31	366.01	Underground Conduit	30,063,328	-	-	30,063,328	41	E36601	30,063,328	-	30,063,328	-	-	-	30,063,328
32	367.01	Underground Conductors and Devices	54,598,166	-	-	54,598,166	42	E36701	54,598,166	-	54,598,166	-	-	-	54,598,166
33	368.01	Line Transformers	76,699,070	-	-	76,699,070	43	E36801	76,699,070	-	76,699,070	-	-	-	76,699,070
34	369.01	Services	7,984,408	-	-	7,984,408	44	E36901	7,984,408	-	7,984,408	-	-	-	7,984,408
35	370.01	Meters	65,604	-	-	65,604	45	E37001	65,604	-	-	65,604	-	-	65,604
36	370.03	Automated Meters	13,497,462	-	-	13,497,462	46	E37003	13,497,462	-	-	13,497,462	-	-	13,497,462
37	373.01	Street Lighting and Signal Systems	25,309,197	-	-	25,309,197	47	E37301	25,309,197	-	25,309,197	-	-	-	25,309,197
38	373.02	Security Lighting	331,339	-	-	331,339	47	E37301	331,339	-	331,339	-	-	-	331,339
39	374.03	Asset Retirement Cost Dist Plant	-	-	-	-	1	DA	-	-	-	-	-	-	-
40															
41		Subtotal	383,605,858	-	-	383,605,858			383,605,858	9,562,842	360,479,950	13,563,067	-	-	383,605,858
42															
43		TOTAL INT. TRAN. DIST PLANT-GROSS	II-R-15H	548,912,791	-	-	548,912,791		548,912,791	165,553,629	364,464,727	16,138,091	2,756,344	-	548,912,791
44		TOTAL TRAN. DIST PLANT-GROSS	II-R-15H	540,018,789	-	-	540,018,789		540,018,789	164,290,777	362,164,946	13,563,067	-	-	540,018,789

Attachment C-KJC-3-OPUC RFP Schedules
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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-B-15B: CONSTRUCTION OVERHEAD (COH)
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

Line No.	FERC Account	Description	Reference Schedule	Total Company	Non-Regulated or Non-Electric	Known and Measurable Changes	Company Total Electric	IT #	Functionalization Factor Name	Allocation to Texas	TRAN	DIST	MEET	TDCS	Total
1	General Plant - Gross		II-B-15B												
15	389.01	Land and Land Fees		-	-	-	-	49	E38901	-	-	-	-	-	-
16	389.02	Land and Land Rights		-	-	-	-	50	E38902	-	-	-	-	-	-
17	390.01	Structures and Improvements		21,224	-	-	21,224	51	E39001	21,224	2,382	13,425	292	125	21,224
18	391.01	Office Furniture and Equipment		14,378	-	-	14,378	52	E39101	14,378	247	13,151	297	680	14,378
19	392.01	Transportation Equipment		(103,358)	-	-	(103,358)	53	E39201	(103,358)	(27,346)	(69,333)	(6,104)	(76)	(103,358)
50	393.01	Stores Equipment		386	-	-	386	54	E39301	386	134	250	2	-	386
51	394.01	Tools, Shop and Garage Equipment		76,363	-	-	76,363	55	E39401	76,363	531	75,005	765	62	76,363
52	395.01	Laboratory Equipment		8,715	-	-	8,715	56	E39501	8,715	-	1,559	6,779	377	8,715
53	396.01	Power Operated Equipment		169,763	-	-	169,763	57	E39601	169,763	77,935	89,609	2,129	-	169,763
54															
55		Subtotal		187,471			187,471			187,471	53,383	128,758	4,162	1,169	187,471
56															
57	General Plant - Miscellaneous														
58	398.01	Miscellaneous Equipment		50,197	-	-	50,197	60	E39801	50,197	2,684	37,396	481	9,636	50,197
59	399.11	Asset Retirement Cost Gen Plant		-	-	-	-	1	DA	-	-	-	-	-	-
60															
61		Subtotal		50,197			50,197			50,197	2,684	37,396	481	9,636	50,197
62															
63		TOTAL GENERAL PLANT GROSS	II-B-15B	237,668	-	-	237,668			237,668	56,067	166,154	4,643	10,805	237,668

Line No.	FERC Account	Description	Reference Schedule	Total Company	Non-Regulated or Non-Electric	Known and Measurable Changes	Company Total Electric	IT #	Functionalization Factor Name	Allocation to Texas	TRAN	DIST	MEET	TDCS	Total
1	Communication Equipment - Gross		II-B-15B												
64	397.01	Communication Equipment		5,597,907	-	-	5,597,907	58	E39701	5,597,907	1,071,439	3,594,976	413,685	517,806	5,597,907
65	397.02	Computer Equipment		(1,614,713)	-	-	(1,614,713)	59	E39702	(1,614,713)	(308,836)	(1,037,381)	(119,242)	(149,254)	(1,614,713)
66															
67															
68															
69															
70															
71															
72															
73															
74		Subtotal		3,983,194			3,983,194			3,983,194	762,604	2,557,595	294,443	368,552	3,983,194
75															
76		TOTAL COMMUNICATION EQUIPMENT	II-B-15B	3,983,194	-	-	3,983,194			3,983,194	762,604	2,557,595	294,443	368,552	3,983,194
77															
78		TOTAL GENERAL PLANT GROSS INCL. COMM. EQUIP.	II-B-15B	4,220,863	-	-	4,220,863			4,220,863	818,670	2,723,750	299,086	379,357	4,220,863
79															
80		TOTAL PLANT IN SERVICE-GROSS (INCL. INTANGIBLES)	II-B-15B	553,133,654	-	-	553,133,654			553,133,654	166,372,300	367,188,477	16,437,177	3,135,701	553,133,654
81															
82		TOTAL PLANT IN SERVICE-GROSS (EXCL. INTANGIBLES)	II-B-15B	544,239,652	-	-	544,239,652			544,239,652	165,109,447	364,888,696	13,862,152	379,357	544,239,652

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-C-1 RATE OF RETURN CALCULATION
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

The determination of final revenue requirements for CenterPoint Energy Houston Electric, LLC is based on the rate of return method.

Attachment C-KJC-3-OPUC RFP Schedules

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PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 II-C-1.1 RATE OF RETURN METHOD
 TEST YEAR ENDING 12/31/2023
 DOCKET NO. 56211
 SPONSOR: K. COLVIN

		(1)	(2)	
Line No.	Description	Reference Schedule	Total Company Book	Company Total Request
1				
2	Common Equity	II-C-2.1	9.4, 22%	4.67%
3	Preferred Stock	II-C-2.1		
4	Preferred Trust Securities	II-C-2.1		
5	Long-Term Debt	II-C-2.1	2.36%	2.36%
6	Short-Term/Interim Debt	II-C-2.1		
7				
8	TOTAL		6.58%	7.03%

10 ⁽¹⁾ Based on a return of equity of 9.4% per Docket #49421.

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-C-2.1 WEIGHTED AVERAGE COST OF CAPITAL
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN

			(1)	(2)	(3)	(4)
Line No.	Description	Reference Schedule	Balance	Percent of Total	Cost	Weighted Cost
1	Common Equity		5,990,929,790	44.90%	10.40%	4.67%
2	Preferred Stock	II-C-2.2	-	0.00%	0.00%	0.00%
3	Preferred Trust Securities	II-C-2.3	-	0.00%	0.00%	0.00%
4	Long-Term Debt	II-C-2.4	7,351,041,105	55.10%	4.29%	2.36%
5	Short-Term/Interim Debt	II-C-2.5	-	0.00%	0.00%	0.00%
6						
7	TOTAL		13,341,970,895	100.00%	14.69%	7.03%
8						

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-C-2.2 WEIGHTED AVERAGE COST OF PREFERRED STOCK
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN / J. RICHERT**

This schedule is not applicable as CenterPoint Energy Houston Electric, LLC has not issued preferred stock.

**PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-C-2.2a ADJUSTED COST OF PREFERRED STOCK
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN / J. RICHERT**

This schedule is not applicable as CenterPoint Energy Houston Electric, LLC has not issued preferred stock.

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-C-2.3 WEIGHTED AVERAGE COST OF PREFERRED TRUST SECURITIES
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN / J. RICHERT

This schedule is not applicable as CenterPoint Energy Houston Electric, LLC has not issued preferred trust securities.

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II-C-2.3a ADJUSTED COST OF PREFERRED TRUST SECURITIES
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN / J. RICHERT

This schedule is not applicable as CenterPoint Energy Houston Electric, LLC has not issued preferred trust securities.

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PUBLIC UTILITY COMMISSION OF TEXAS
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
II C.2.4 WEIGHTED AVERAGE COST OF LONG TERM DEBT
TEST YEAR ENDING 12/31/2023
DOCKET NO. 56211
SPONSOR: K. COLVIN / J. RICHERT

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)
Line No.	Description	Issuance Date	Maturity Date	Interest Rate	Principal Amount as Issuance	Premium or (Discount)	Underwriting Fees and Issuance Expenses	Gain or (Loss) on Resequired Debt	Original Net Proceeds	Net Proceeds As % of Par	Principal Currently Outstanding	Current Net Proceeds	Issue As % of Total Net Proceeds	Cost of Debt	Weighted Average Cost
1															
2	Direct														
3	6.95% Series K - General Mortgage	03/13/2003	03/15/2033	6.9500%	312,275,000	(1,789,336)	3,059,051	(14,375,168)	293,051,465	93.8440%	312,275,000	293,051,465	4.0133%	7.4670%	0.2917%
4	3.35% Series W - General Mortgage	08/10/2012	08/01/2042	3.3500%	500,000,000	(1,280,000)	5,036,616	(48,139,079)	445,544,305	89.1089%	500,000,000	445,544,305	6.1016%	4.1912%	0.2537%
5	4.35% Series X - General Mortgage	03/17/2014	04/01/2044	4.3500%	600,000,000	(6,450,000)	6,389,579	-	587,160,421	97.8601%	600,000,000	587,160,421	8.0410%	4.6326%	0.3723%
6	2.4% Series Z - General Mortgage	08/11/2016	09/01/2026	2.4000%	300,000,000	715,539	2,616,008	-	298,099,531	99.3665%	300,000,000	298,099,531	4.0824%	2.4714%	0.1006%
7	3.0% Series AA - General Mortgage	01/12/2017	02/01/2027	3.0000%	300,000,000	(2,525,980)	2,617,661	-	294,856,359	98.2855%	300,000,000	294,856,359	4.0380%	3.2003%	0.1292%
8	3.95% Series AB - General Mortgage	02/28/2018	03/01/2048	3.9500%	400,000,000	3,466,602	4,405,679	-	399,060,923	99.7652%	400,000,000	399,060,923	5.4651%	3.9634%	0.2166%
9	4.25% Series AC - General Mortgage	01/15/2019	02/01/2049	4.2500%	700,000,000	(29,108,667)	7,649,479	-	663,241,854	94.7488%	700,000,000	663,241,854	9.0830%	4.5730%	0.4154%
10	2.9% Series AD - General Mortgage	06/05/2020	07/01/2050	2.9000%	300,000,000	(603,000)	3,496,632	-	295,900,368	98.6335%	300,000,000	295,900,368	4.0523%	2.9690%	0.1203%
11	2.35% Series AE - General Mortgage	03/11/2021	04/01/2031	2.3500%	400,000,000	(1,708,000)	3,497,024	-	394,794,976	98.6987%	400,000,000	394,794,976	3.4066%	2.4988%	0.1350%
12	3.35% Series AF - General Mortgage	03/11/2021	04/01/2031	3.3500%	700,000,000	(2,379,000)	7,718,220	-	689,502,780	98.5004%	700,000,000	689,502,780	9.4426%	3.4303%	0.3239%
13	3.60% Series AG - General Mortgage	02/28/2022	03/01/2032	3.6000%	300,000,000	(1,389,000)	2,669,008	-	295,941,992	98.6473%	300,000,000	295,941,992	4.0529%	3.1577%	0.1280%
14	3.8% Series AH - General Mortgage	02/28/2022	03/01/2032	3.8000%	500,000,000	(6,315,000)	5,573,347	-	487,911,653	97.5823%	500,000,000	487,911,653	6.8819%	3.7845%	0.2493%
15	4.45% Series AI - General Mortgage	09/15/2022	10/01/2032	4.4500%	500,000,000	(1,775,000)	4,482,827	-	493,742,173	98.7484%	500,000,000	493,742,173	6.7617%	4.6666%	0.3113%
16	4.85% Series AJ - General Mortgage	09/15/2022	10/01/2032	4.8500%	300,000,000	(1,853,000)	3,364,696	(2,315,408)	292,666,896	97.5546%	300,000,000	292,666,896	4.0080%	5.0081%	0.2007%
17	4.95% Series AK - General Mortgage	03/23/2023	04/01/2033	4.9500%	600,000,000	(8,180,039)	5,445,218	-	586,374,743	97.7291%	600,000,000	586,374,743	8.0363%	3.2428%	0.4210%
18	5.30% Series AL - General Mortgage	03/23/2023	04/01/2033	5.3000%	300,000,000	(7,408,818)	3,397,609	-	289,195,573	96.3979%	300,000,000	289,195,573	3.9605%	3.5476%	0.2197%
19	5.20% Series AM - General Mortgage	09/18/2023	10/01/2028	5.2000%	500,000,000	(560,000)	4,446,648	-	494,993,352	98.9987%	500,000,000	494,993,352	6.7788%	3.4280%	0.3680%
20															
21	Subtotal				7,512,275,000	(69,542,690)	75,805,282	(64,829,655)	7,302,037,364		7,512,275,000	7,302,037,364	100.00%		4.2676%
22															
23	Credit Facility														
24	\$300M Revolving Credit Facility	05/03/2016	12/06/2027	0.0000%	300,000,000	-	3,827,300	-	296,172,700	98.7242%	-	-	0.0000%	0.0501%	0.0000%
25															
26	Subtotal				-	300,000,000	-	3,827,300	296,172,700		-	-	0.00%		0.0000%
27															
28	Total				7,512,275,000	(69,542,690)	79,692,582	(64,829,655)	7,398,210,064		7,512,275,000	7,302,037,364	100.00%		4.2676%
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Plus:	Unamortized Premium (Discount)	(28,099,779)
Plus:	Reg Asset Interest Rate Hedge	(29,241,540)
Less:	Unamortized Fees and Issuance Expenses	60,810,308
Plus:	Unamortized Gains (Losses) on Reacq. Debt	(43,062,268)
	Net Balance of Debt	7,351,041,105

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PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 II-C-2.4a ADJUSTED COST OF LONG-TERM DEBT
 TEST YEAR ENDING 12/31/2023
 DOCKET NO. 56211
 SPONSOR: K. COLVIN / J. RICHERT

(I)			
Line No.	Description	Reference Schedule	Amount
1	Proposed:		
2	Balance of Unamortized Gains (Losses) on	II-C-2.4	(43,082,268)
3	Reacquired Debt (Schedule II-C-2.4)		
4	Balance Related to Gains (Losses) Identified	II-C-2.4	(36,527,891)
5	in Col.(h) of Schedule II-C-2.4		
6			
7	Net Balance of Unamortized Gains (Losses) Not		(6,554,377)
8	Accounted for in Col.(h) of Schedule II-C-2.4		
9			
10			
11	Annual Amortization of Gains (Losses) on		(3,200,085)
12	Reacquired Debt		
13	Annual Amortization Related to Gains (Losses)	II-C-2.4	(2,093,572)
14	Identified in Col.(h) of Schedule II-C-2.4		
15			
16	Net Annual Amortization of Gains (Losses) Not		(1,106,513)
17	Accounted for in Col.(h) of Schedule II-C-2.4		
18			
19			
20	Net Balance of Debt (Schedule II-C-2.4)	II-C-2.4	7,351,041.105
21	Net Balance of Unamortized Gains (Losses) from Line 7		(6,554,377)
22			
23	Debt Balance Excluding Net Gains (Losses)		7,357,595.482
24			
25	Weighted Average Cost of Debt (Schedule II-C-2.4)	II-C-2.4	4.2676%
26			
27	Annual Debt Requirement		313,993,752
28			
29	Net Amortization of Gains (Losses) from Line 16		(1,106,513)
30			

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PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 II-C-2.4a ADJUSTED COST OF LONG-TERM DEBT
 TEST YEAR ENDING 12/31/2023
 DOCKET NO. 56211
 SPONSOR: K. COLVIN / J. RICHERT

(1)

Line No.	Description	Reference Schedule	Amount
31	Adjusted Annual Debt Requirement		315,100,265
32			
33	Adjusted Cost of Debt (Line 31/Line 20)		4.2865%

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PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 II-C-2.5 WEIGHTED AVERAGE COST OF SHORT-TERM DEBT
 TEST YEAR ENDING 12/31/2023
 DOCKET NO. 56211
 SPONSOR: K. COLVIN / J. RICHERT

		(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Description	Balance at end of 2020	Balance at end of 2021	Balance at end of 2022	Balance Outstanding	Balance As a % of Total	Average Cost	Weighted Average Cost
1	Bank Loans	-	-	-	-	0.00%	0.00%	0.00%
2	Other	7,571,391	511,862,023	641,971,745	-	0.00%	5.31%	0.00%
3								
4	Total Notes Payable	7,571,391	511,862,023	641,971,745	-	-		-

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PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 II-C-2.5a WEIGHTED AVERAGE COST OF SHORT-TERM DEBT- DAILY
 TEST YEAR ENDING 12/31/2023
 DOCKET NO. 56211
 SPONSOR: K. COLVIN / J. RICHERT

		(1)	(2)
Line No.	Date	Average Daily Balance Outstanding	Weighted Average Cost
1	1/1/2023	641,971,745	4.9570%
2	1/2/2023	641,971,745	4.9570%
3	1/3/2023	634,689,453	4.9570%
4	1/4/2023	621,631,528	4.9681%
5	1/5/2023	651,047,670	4.9687%
6	1/6/2023	665,673,745	4.9846%
7	1/7/2023	665,673,745	4.9927%
8	1/8/2023	665,673,745	4.9927%
9	1/9/2023	26,953,911	4.9927%
10	1/10/2023	20,072,524	5.0045%
11	1/11/2023	13,409,461	5.0099%
12	1/12/2023	149,057,873	5.0159%
13	1/13/2023	171,693,610	5.0099%
14	1/14/2023	171,693,610	5.0236%
15	1/15/2023	171,693,610	5.0236%
16	1/16/2023	171,693,610	5.0236%
17	1/17/2023	160,716,040	5.0236%
18	1/18/2023	155,352,317	5.0280%
19	1/19/2023	155,848,927	5.0316%
20	1/20/2023	182,239,037	5.0279%
21	1/21/2023	182,239,037	5.0252%
22	1/22/2023	182,239,037	5.0252%
23	1/23/2023	192,181,773	5.0252%
24	1/24/2023	193,215,010	5.0313%
25	1/25/2023	202,158,593	5.0423%
26	1/26/2023	206,224,928	5.0400%
27	1/27/2023	222,534,576	5.0437%
28	1/28/2023	222,534,576	5.0335%
29	1/29/2023	222,534,576	5.0335%
30	1/30/2023	224,791,092	5.0335%

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PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 II-C-2.5a WEIGHTED AVERAGE COST OF SHORT-TERM DEBT- DAILY
 TEST YEAR ENDING 12/31/2023
 DOCKET NO. 56211
 SPONSOR: K. COLVIN / J. RICHERT

(1)		(2)	
Line No.	Date	Average Daily Balance Outstanding	Weighted Average Cost
31	1/31/2023	219,246,372	5.0385%
32	2/1/2023	253,564,735	5.0070%
33	2/2/2023	245,844,442	4.9995%
34	2/3/2023	268,500,744	5.0602%
35	2/4/2023	268,500,744	5.0577%
36	2/5/2023	268,500,744	5.0577%
37	2/6/2023	300,349,637	5.0577%
38	2/7/2023	292,830,345	5.0581%
39	2/8/2023	300,291,833	5.0647%
40	2/9/2023	291,738,939	5.0666%
41	2/10/2023	290,959,195	5.0675%
42	2/11/2023	290,959,195	5.0677%
43	2/12/2023	290,959,195	5.0677%
44	2/13/2023	298,036,270	5.0677%
45	2/14/2023	298,001,469	5.0690%
46	2/15/2023	289,837,799	5.0746%
47	2/16/2023	284,727,012	5.0754%
48	2/17/2023	296,811,069	5.0756%
49	2/18/2023	296,811,069	5.0766%
50	2/19/2023	296,811,069	5.0766%
51	2/20/2023	296,811,069	5.0766%
52	2/21/2023	292,973,837	5.0766%
53	2/22/2023	324,859,700	5.0785%
54	2/23/2023	326,768,292	5.0787%
55	2/24/2023	332,179,450	5.1002%
56	2/25/2023	332,179,450	5.0966%
57	2/26/2023	332,179,450	5.0966%
58	2/27/2023	326,226,120	5.0966%
59	2/28/2023	318,274,928	5.0913%
60	3/1/2023	350,806,696	5.1259%

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PUBLIC UTILITY COMMISSION OF TEXAS
 CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
 II-C-2.5a WEIGHTED AVERAGE COST OF SHORT-TERM DEBT- DAILY
 TEST YEAR ENDING 12/31/2023
 DOCKET NO. 56211
 SPONSOR: K. COLVIN / J. RICHERT

(1)		(2)	
Line No.	Date	Average Daily Balance Outstanding	Weighted Average Cost
61	3/2/2023	354,817,917	5.1279%
62	3/3/2023	392,940,299	5.1215%
63	3/4/2023	392,940,299	5.1231%
64	3/5/2023	392,940,299	5.1231%
65	3/6/2023	412,081,099	5.1231%
66	3/7/2023	434,220,845	5.1215%
67	3/8/2023	444,159,676	5.1336%
68	3/9/2023	455,843,413	5.1321%
69	3/10/2023	460,139,717	5.1297%
70	3/11/2023	460,139,717	5.1332%
71	3/12/2023	460,139,717	5.1332%
72	3/13/2023	458,710,336	5.1332%
73	3/14/2023	456,812,190	5.1373%
74	3/15/2023	459,656,462	5.1388%
75	3/16/2023	455,200,822	5.2063%
76	3/17/2023	480,119,132	5.3783%
77	3/18/2023	480,119,132	5.4400%
78	3/19/2023	480,119,132	5.4400%
79	3/20/2023	511,507,237	5.4400%
80	3/21/2023	506,273,374	5.5458%
81	3/22/2023	492,528,931	5.5161%
82	3/23/2023	-	0.0000%
83	3/24/2023	-	0.0000%
84	3/25/2023	-	0.0000%
85	3/26/2023	-	0.0000%
86	3/27/2023	-	0.0000%
87	3/28/2023	-	0.0000%
88	3/29/2023	-	0.0000%
89	3/30/2023	-	0.0000%
90	3/31/2023	-	0.0000%