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

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

**TEXAS INDUSTRIAL ENERGY CONSUMERS SEVENTH REQUEST FOR
INFORMATION TO CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC**

Pursuant to 16 T.A.C. § 22.144, Texas Industrial Energy Consumers (“TIEC”) requests that CenterPoint Energy Houston Electric, LLC (“CenterPoint”) provide all of the information requested in Exhibit “A” within the time frame specified under the procedural schedule set in this proceeding.

Pursuant to 16 T.A.C. § 22.144(c)(2), TIEC further requests that answers to the requests for information be made under oath. Each answer should identify the person responsible for preparing that answer (other than the purely clerical aspects of its preparation) and the name of the witness in this proceeding who will sponsor the answer and who can vouch for its accuracy. In producing documents pursuant to this request for information, please indicate the specific request(s) to which the document is being produced. These requests are continuing in nature, and should there be, for any reason, a change in circumstances which would modify or change an answer supplied by you, such changed answer should be submitted immediately as a supplement to your original answer pursuant to 16 T.A.C. § 22.144(i). Please answer each request and sub-request in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the request. TIEC further requests that each item of information be made available as it is completed, rather than upon compilation of all information requested.

All information responsive to the requests on the attached Exhibit “A” should be sent to the following persons via overnight courier, on a piecemeal basis as individual items become available:

Katherine L. Coleman
Michael A. McMillin
John R. Hubbard
O'Melveny & Myers LLP
303 Colorado St., Suite 2750
Austin, TX 78701
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ommesevice@omm.com

DEFINITIONS AND INSTRUCTIONS

A. “CenterPoint Energy Houston Electric, LLC”, “CenterPoint”, “the Company” or “you” refers to CenterPoint Energy Houston Electric, LLC, and its affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

B. The terms “document” or “documents” are used in their broadest sense to include, by way of illustration and not limitation, all written or graphic matter of every kind and description whether printed, produced, reproduced or stored by any process whether visually, magnetically, mechanically, electronically or by hand, whether final or draft, original or reproduction, whether or not claimed to be privileged or otherwise excludable from discovery, and whether or not in your actual or constructive possession, custody, or control. The terms include writings, correspondence, telegrams, memoranda, studies, reports, surveys, statistical compilations, notes, calendars, tapes, computer disks, data on computer drives, e-mail, cards, recordings, contracts, agreements, invoices, licenses, diaries, journals, accounts, pamphlets, books, ledgers, publications, microfilm, microfiche and any other data compilations from which information can be obtained and translated, by you if necessary, into reasonably usable form. The definition includes electronic information that has been deleted. “Document” or “documents” shall also include every copy of a document where the copy contains any commentary or notation of any kind that does not appear on the original or any other copy.

C. Pursuant to Rule 196.4 of the Texas Rules of Civil Procedure, TIEC specifically requests that any electronic or magnetic information (which is included in the definition of “document”) that is responsive to a request herein be produced on CD-ROM in a format that is compatible with Adobe Acrobat, Microsoft, Macintosh and/or Word Perfect and be produced with your response to these requests. If emails are responsive to these requests, please provide a searchable .pdf copy of the entire email string. Attachments to emails should be provided with the email in searchable .pdf form, unless it is stored in a different format, in which the attachment should be produced in its native format and provided on CD-Rom.

D. The terms “and” and “or” shall be construed both disjunctively and conjunctively as necessary to make the request inclusive rather than exclusive.

E. “Each” shall be construed to include the word “every” and “every” shall be construed to include the word “each.”

F. “Any” shall be construed to include “all” and “all” shall be construed to include “any.”

G. The term “concerning,” or one of its inflections, includes the following meanings: relating to; referring to; pertaining to; regarding; discussing; mentioning; containing; reflecting; evidencing; describing; showing; identifying; providing; disproving; consisting of; supporting; contradicting; in any way legally, logically or factually connected with the matter to which the term refers; or having a tendency to prove or disprove the matter to which the term refers.

H. The term “including,” or one of its inflections, means and refers to “including but not limited to.”

I. Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.

J. The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.

K. If any document is withheld under any claims of privilege, please furnish a list identifying each document for which a privilege is claimed together with the following information: date, sender, recipients of copies, subject matter of the document, and the basis upon which such privilege is claimed. This instruction is not intended to impose an obligation greater than contemplated by the Commission’s rules and any applicable orders in this case.

L. Pursuant to 16 T.A.C. § 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.

M. If the information requested is included in previously furnished exhibits, workpapers, and responses to other discovery inquiries or otherwise, in hard copy or electronic format, please furnish specific references thereto, including Bates Stamp page citations and detailed cross-references.

N. The term “emails” includes the entire email string and all attachments found anywhere within the email string. Please refer to paragraph “D.” regarding specific instructions for producing such items.

O. “Communications” refers to correspondence of any kind, including emails.

P. “Identify” and “describe” shall have the meaning set forth below according to the context in which the term is used:

- i. When used in reference to an individual, shall mean to state his or her full name, business affiliation, job title, and business address and telephone number;

- ii. When used in reference to a corporation, shall mean to state its full name, its state of incorporation, its address and its principal place of business;
- iii. When used in reference to any entity other than an individual or corporation, shall mean to state its official name, its organizational form and its address;
- iv. When used in reference to a document, shall mean to state the type of document, date, author, addressee, title, its present location, the name and address of its custodian, and the substance of the contents thereof. In lieu of identifying any document, copies thereof may be furnished; and
- v. When used in reference to a communication, shall mean to state the form of the communication (e.g., telephone conversation, letter, telegram, teletype, telecopy, written memorandum, face to face conversation, or any other form), the date of the communication or the dates on which the communication was sent and/or received if not the same, the parties to the communication, the party who initiated it, the substance of the communication, and the present location and the name and address of the custodian if the communication was non-verbal and/or of any written memorialization of the communication.

Respectfully submitted,

O'MELVENY & MYERS LLP

/s/ Michael A. McMillin

Katherine L. Coleman

State Bar No. 24059596

Michael A. McMillin

State Bar No. 24088034

John R. Hubbard

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**ATTORNEYS FOR TEXAS INDUSTRIAL
ENERGY CONSUMERS**

CERTIFICATE OF SERVICE

I, John R. Hubbard, Attorney for TIEC, hereby certify that a copy of this document was served on all parties of record in this proceeding on this 16th day of July , 2024 by electronic mail, facsimile, and/or First Class, U.S. Mail, Postage Prepaid.

/s/ John R. Hubbard

John R. Hubbard

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**TEXAS INDUSTRIAL ENERGY CONSUMERS SEVENTH REQUEST FOR
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Referring to the Rebuttal Testimony of Jason M. Ryan:

- TIEC 7-1** Admit that in Docket No. 38339, the Company requested a regulatory capital structure made up of 50% debt and 50% equity.
- TIEC 7-2** During the approximately six years that the rates from Docket No. 38339 were in effect, what was the Company's actual capitalization in each year?
- TIEC 7-3** What was the Company's actual capitalization in the test year for Docket No. 49421?
- TIEC 7-4** What was the Company's overall authorized Rate of Return from Docket No. 38339?
- TIEC 7-5** What was the Company's overall authorized Rate of Return from Docket No. 49421?
- TIEC 7-6** What would the Company's overall authorized Rate of Return be if the Commission granted the Company the capital structure, cost of debt, and return on equity it has requested in this case?
- TIEC 7-7** Referring to page 9, lines 3-4 of Mr. Ryan's rebuttal, please admit that the rate case order that set a regulatory capital structure of 55% debt and 45% equity for TNMP was approving a settlement.
- TIEC 7-8** Referring to page 9, lines 4-5 of Mr. Ryan's rebuttal, please admit that the rate case order that set a regulatory capital structure of 55% debt and 45% equity for Lone Star was approving a settlement.
- TIEC 7-9** On page 14, lines 9-12 of Mr. Ryan's rebuttal, he states that storm costs related to the derecho will increase average customer bills by approximately \$1.00 per month. What were the total costs that CenterPoint incurred as a result of the derecho?
- TIEC 7-10** On page 14, lines 12-13 of Mr. Ryan's rebuttal, he states that the impact of Hurricane Beryl costs on customers' rates has not yet been estimated. Does the Company have an estimate of the magnitude of the total Hurricane Beryl costs incurred to date? If so, what is that estimate? For the avoidance of doubt, this is an ongoing request.

TIEC 7-11 Has CenterPoint or any of its affiliates made any public statements to investors or regulatory agencies that estimated the total restoration costs associated with Hurricane Beryl? If so, please produce those statements. For the avoidance of doubt, this is an ongoing request.

Referring to the Rebuttal Testimony of Jacqueline M. Richert

TIEC 7-12 On pages 5 and 9 of Ms. Richert's rebuttal, she notes that CNP lost over \$3 billion in market value in just two days when the Commission discussed a potential 9.25% ROE and a 60/40 debt/equity ratio. How much market value has CNP lost between when Hurricane Beryl made landfall on July 8, 2024 and July 16, 2024?

TIEC 7-13 On pages 5 and 9 of Ms. Richert's rebuttal, she notes that CNP lost over \$3 billion in market value in just two days when the Commission discussed a potential 9.25% ROE and a 60/40 debt/equity ratio. How much market value did CNP gain/lose between the second of those two days and the last day of CEHE's test year for this rate case?

TIEC 7-14 Referring to page 21, lines 5-15 of Ms. Richert's rebuttal, is it the Company's position that it would be unable to obtain sufficient capital to provide safe and reliable utility service if the Commission adopted a ratemaking capital structure made up of 42.5% equity and 57.5% debt?

Referring to the Rebuttal Testimony of John R. Durland:

TIEC 7-15 Referring to page 19, lines 14-24 of Mr. Durland's rebuttal, provide a redline showing the changes made to that tariff provision in the Company's Errata 3. Please explain if and how the changes are material with respect to Mr. Pollock's recommendations.

TIEC 7-16 On page 20 of Mr. Durland's rebuttal, he says that the Company "does not oppose a modification to the customer load study fee that would credit the fee towards the customer's CIAC if such interconnection project moves forward." In that sentence, does the "customer load study fee" refer to both the proposed load study fee and the proposed stability study fee? If not, why not?

TIEC 7-17 Confirm that neither Mr. Durland nor any other Company witness substantively addresses Mr. Pollock's proposal to modify the load study fee such that each transmission customer can request up to three studies per year before any fee is applied. If you cannot confirm, please identify where the substance of that proposal is addressed in the Company's rebuttal testimony.

TIEC 7-18 Referring to page 23 of Mr. Durland's rebuttal:

- a. What was the total size of the Company's regulatory liability created as a result of the TCJA reducing the corporate tax rate to 21% in each year that regulatory liability was tracked?

- b. Were carrying charges applied to the TCJA regulatory liability? If so, at what rate?
- c. What is the anticipated magnitude of the Company's Rider IRA in each year for which the Company has such projections?