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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**

April 15, 2024

**Contact: Peggy Sorum
CenterPoint Energy, Inc
1005 Congress Avenue, Suite 650
Austin, Texas 78701
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peggy.sorum@centerpointenergy.com**

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 <ul style="list-style-type: none">• Please note that the discovery responses were prepared under the direction of the sponsors.	

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

GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-01

QUESTION:

Refer to the proposed Rider Tax Act 2022-I and U tariffs in the CenterPoint Energy Texas Gas rate case pending before the Railroad Commission of Texas (RRC) in Case Number 00015513, copies of which are attached.

- a. Confirm that, unlike the proposed Rider Tax Act 2022-I and U tariffs in RRC Case Number 00015513, the Company's proposed Rider IRA in this proceeding does not refer to specific costs (CAMT) and benefits (tax credits) related to the IRA, does not have a calculation paragraph, does not have a calculation template, and does not describe the filing procedures. If this statement is incorrect in any respect, then provide a corrected statement and a copy of all support relied on for your response.
- b. Provide a detailed description of the calculations the Company proposes for Rider IRA in this proceeding and provide a calculation template similar to that reflected in the proposed Rider Tax Act 2022-I and U tariffs in RRC Case Number 00015513, as corrected for the errors in the template acknowledged by CenterPoint Energy Texas Gas in the RRC proceeding.
- c. Provide a narrative describing the proposed filing procedures for the proposed Rider IRA in this proceeding.
- d. Confirm that tax credits must be grossed-up for income taxes to revenue equivalents. If denied, then provide a corrected statement and a copy of all support relied on for your response.
- e. Identify each tax credit available to the Company pursuant to the IRA. For each such tax credit, describe the Company's eligibility for the credit, whether it has pursued and/or plans to pursue investments and other activities to qualify and obtain the credit, and if so, describe the investments and activities it has pursued and/or plans to pursue to qualify and obtain the credit. In addition, provide a copy of all analyses, plans, budgets, forecasts, and reports that address these tax credits and the information relied on by the Company in its decision-making process related to these credits.
- f. Identify and quantify each tax credit obtained by the Company by investment and/or activity pursuant to the IRA by month since the IRA was enacted through the most recent month for which actual information is available and provide the accounting journal entries made by the Company to record the tax credits and the calculations of the tax credits. If none, then so state.

ANSWER:

- a. Confirmed.
- b. Please see "GCCC02-01 Attachment 2" for a proposed calculation template of the revenue requirement associated with Rider IRA. The Rider IRA revenue requirement will be allocated to rate classes using the total of the Distribution, Customer, and Meter Taxable Income allocators. The allocated revenues will then be divided by test year billing determinants to find the rate. Please reference IV-J-7 Rider IRA in Schedule I and J 2023 for the rate design template.
- c. On or before November 1st, the Company shall file with the Public Utility Commission of Texas the Rider IRA along with supporting schedules and workpapers. Rider IRA will become effective for meter read dates on and after March 1st the following year.
- d. Confirmed.
- e. Most tax credits under the IRA available to electric utilities are focused on clean energy production and generation. The Company continues to analyze the IRA and monitor guidance for future opportunities but has not identified any immediate opportunities except for fleet credits. The Company can utilize IRA credits for clean fleet vehicles and clean vehicle fueling stations

used in the Company's own fleet.^[1] Please see "GCC02-01 Attachment 1" for the calculation of vehicle and charging station credits that the Company anticipates taking on the 2023 income tax return. No journal entries have been recorded yet for these credits.

f. None.

^[1] IRC §30C, IRC §30D

SPONSOR:

Colvin, Kristie; Durland, John R; Story, Jennifer K

RESPONSIVE DOCUMENTS:

GCCC02-01 Attachment 1.xlsx

GCCC02-01 Attachment 2.xlsx

CenterPoint Energy Houston Electric, LLC
EV Tax Credits (GBC) Forecast

2023 EV Charging Station Purchases					
Entity	# of chargers	Est Unit Cost	Est Credit per Unit	Credit %	Est Total Credit
0003	17	5,915	1,774	30.00%	30,165
					<u>30,165</u>

2023 EV Purchases					
Entity	# of vehicles	Est Unit Cost	Est Credit per Unit	Est. Weight	Est Total Credit
0003	24	55,990	7,500	< 14,000	180,000
Total	24				
					<u>180,000</u>

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Summary Tables

Commercial Electric Vehicle (EV) and Fuel Cell Electric Vehicle (FCEV) Tax Credit

Beginning January 1, 2023, a tax credit will be available to businesses for the purchase of new EVs and FCEVs. Vehicles with a gross vehicle weight rating (GVWR) below 14,000 pounds (lbs.) must have a battery capacity of at least seven kilowatt-hours (kWh) and vehicles with a GVWR above 14,000 lbs. must have a battery capacity of at least 15 kWh. The tax credit amount is equal to the lesser of the following amounts:

- 15% of the vehicle purchase price for plug-in hybrid electric vehicles
- 30% of the vehicle purchase price for EVs and FCEVs
- The incremental cost of the vehicle compared to an equivalent internal combustion engine vehicle

Maximum tax credits may not exceed \$7,500 for vehicles under 14,000 lbs. and \$40,000 for vehicles above 14,000 lbs. Businesses may not combine this tax credit with the [Clean Vehicle Tax Credit](#).

See the [IRS Commercial Clean Vehicle Credit](#) for more details.

(Reference [Public Law 117-169](#))

Point of Contact
U.S. Internal Revenue Service
Phone: (800) 829-1040
<http://www.irs.gov/>

Jurisdiction: Federal

Type: Incentives

Agency: U.S. Internal Revenue Service

Enacted: Aug 16, 2022

Technologies: EVs, Hydrogen Fuel Cells, PHEVs

See all [Federal Laws and Incentives](#).

CenterPoint Energy Houston Electric, LLC

Energy Credits

Vehicles and Charging Stations

	Monthly		
	Vehicles Purch	Charger Count	Spend
Jan-22	0	0	\$0
Feb-22	0	0	\$0
Mar-22	0	0	\$0
Apr-22	0	0	\$0
May-22	0	0	\$0
Jun-22	6	0	\$287,389
Jul-22	3	0	\$147,070
Aug-22	1	0	\$48,549
Sep-22	0	0	\$0
Oct-22	1	12	\$603,493
Nov-22	0	0	\$0
Dec-22	6	0	\$335,940
Jan-23	22	0	\$1,231,781
Feb-23	0	0	\$0
Mar-23	0	0	\$0
Apr-23	0	0	\$0
May-23	0	0	\$0
Jun-23	1	0	\$55,990
Jul-23	0	0	\$0
Aug-23	0	17	\$100,551
Sep-23	1	0	\$55,990
Oct-23	0	0	\$0
Nov-23	0	0	\$0
Dec-23	0	0	\$0

	Cumulative		
	Vehicles Purch	Charger Count	Spend
	0	0	\$0
	0	0	\$0
	0	0	\$0
	0	0	\$0
	0	0	\$0
	0	0	\$0
	6	0	\$287,389
	9	0	\$434,459
	10	0	\$483,008
	10	0	\$483,008
	11	12	\$1,086,501
	11	12	\$1,086,501
	17	12	\$1,422,441
	39	12	\$2,654,222
	39	12	\$2,654,222
	39	12	\$2,654,222
	39	12	\$2,654,222
	39	12	\$2,654,222
	40	12	\$2,710,212
	40	12	\$2,710,212
	40	29	\$2,810,763
	41	29	\$2,866,753
	41	29	\$2,866,753
	41	29	\$2,866,753
	41	29	\$2,866,753

Total 2023 24 17 1,444,312

Cost 1,343,761 100,551 1,444,312

Average 55,990 5,915

CenterPoint Energy
CenterPoint Energy Houston Electric, LLC
Rider IRA Calculation
For Rates Effective XX/XX/XX

FOR ILLUSTRATIVE PURPOSES ONLY

		Standard Service	
		Amounts	
		Year 1	
Line No.			
1	Estimated CAMT DTA	\$	-
2	Pre-Tax Rate of Return (1)		7.0316%
3	Impact of Change to Rate Base on Revenue Requirement (Ln 1 * Ln 2)	\$	-
4	Tax Credit 1		-
5	Tax Credit 2		-
6	Tax Credit 3		-
7	Total Tax Credits (Ln 4 + Ln 5 + Ln 6)	\$	-
8	Total Impact to Revenue (Credit)/Charge Customer (Ln 3 + Ln 7)	\$	-

(1) Requested in PUC Docket No. 56211

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

GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-02

QUESTION:

Refer to the Direct Testimony of Jennifer Story at 9-20 in Section III. Income Tax Legislation.

- a. Confirm that CEHE witness Story did not identify or otherwise address tax credits that will or may be available to the Company pursuant to the IRA. If CEHE witness Story does not believe that any of the tax credits, either prior credits as modified or new credits pursuant to the IRA, will or may be available to the Company, then so state and provide all support relied on for your response. If CEHE witness Story believes that certain of the tax credits, either prior credits as modified or new credits, will or may be available to the Company, then describe each such tax credit and the circumstances necessary to qualify for the credit. In addition, provide a copy of all analyses of the availability of each such tax credit and the circumstances necessary to qualify for the credit.
- b. Confirm that CEHE witness Story did not address grant funding available under the Infrastructure Investment and Jobs Act (IIJA).
- c. Confirm that no Company witness addressed grant funding available under the IIJA. Explain why the Company did not address this federal legislation and the Company's attempts to obtain grant funding, if any.

ANSWER:

- a. Ms. Story did not address tax credits under the IRA in her Direct Testimony, but the Company has considered the IRA tax benefits that may be available to electric utilities like the Company. Please see GCCC02-01 part e.
- b. Ms. Story did not address grant funding available under the Infrastructure Investment and Jobs Act (IIJA), but Company witness J. Ryan did address that subject in his Direct Testimony. See subpart c below.
- c. The Direct Testimony of J. Ryan, beginning at page 19, addresses CenterPoint Houston's pursuit of grant funding. Mr. Ryan specifically addresses the Company's multiple applications for funding under the Department of Energy's Grid Resilience and Innovation Partnerships ("GRIP") Program. The GRIP Program is funded by the IIJA.

SPONSOR:

Jennifer Story/Jason Ryan

RESPONSIVE DOCUMENTS:

None

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

GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-03

QUESTION:

Provide a detailed description of each grant opportunity available to the Company under the IIJA, whether the Company submitted applications for grant funding, and the status of each such application. Provide a copy of all analyses performed by the Company of the grant opportunities available under the IIJA and the Company's decision to pursue each such opportunity or not to pursue it.

ANSWER:

CenterPoint Energy regularly monitors applicable IIJA Grant Opportunities that can help address the capital needs associated with the Company's infrastructure resilience requirements and pursues such opportunities where feasible and appropriate. Provided below is responsive information pertaining to CenterPoint Houston's DOE IIJA grant opportunity activity:

1. GRIP Round #1 (Grid Resilience And Innovation Partnerships) -- DE-FOA-0002740

a. Description:

i. Overview of GRIP #1:

1. Attachment: GCCC RFI02-03 -- DOE GDO GRIP Program Webinar Presentation 11.29.22- CORRECTED 12.14.pdf

ii. 3 Topic Areas under which applicants could apply:

1. Grid Resilience Grants
2. Smart Grid Grants
3. Grid Innovation Program

b. CenterPoint Houston, applying independently:

- i. Concept Paper: CenterPoint Houston Electric, LLC ("CenterPoint Houston") submitted its concept paper entitled "Distribution Circuit and Substation Resilience Improvements" on 12/14/2022 under Topic Area 1; see Attachment: GCCC RFI02-03 -- DE-FOA-0002740 2022.12.14 CenterPoint Energy_DOE GRIP Topic 1 Concept Paper (confidential).pdf
- ii. DOE Encouragement to file full application: After reviewing the concept paper, DOE sent a letter on 2/2/2023 encouraging CenterPoint Houston to file a full application; see Attachment: GCCC RFI02-03 -- DE-FOA-0002740 CEHE FOA2740_TA1_CP033_E Notice of Encourage DOE (Feb 2 2023).pdf
- iii. Grant application: On April 5, 2023, CenterPoint Houston filed its full application for an award from DOE; see GCCC RFI02-03 -- Attachment: DE-FOA-0002740 CEHE Apr 2023 Application (confidential).zip
- iv. Status: CenterPoint Houston received notification that its GRIP 1 application had been denied (Oct 18, 2023) with a subsequent enumeration of the application's strengths and weaknesses provided (Nov 2023); see Attachments: GCCC RFI02-03 -- DE-FOA-0002740 CEHE 1027_FOA 2740_Notification Letter.pdf and GCCC RFI02-03 -- DE-FOA-0002740 CEHE 1027 Strengths and Weaknesses (Nov 2023).pdf

c. PUCT-led consortium, including CenterPoint Houston:

- i. Concept Paper: A PUCT-led consortium that included CenterPoint Houston submitted a concept paper entitled "Grid Resiliency and Reliability Enhancement for the Texas Coastal Region (TEGREP)" under Topic Area #3; see GCCC RFI02-03 -- Attachment: DE-FOA-0002740 PUCT et al Concept Paper _DOE Coastal Resiliency TEGREP Friday 13 FINAL (confidential).pdf
- ii. DOE Encouragement to file full application: After reviewing the concept paper, the DOE sent a letter encouraging the PUCT to file a full application

- iii. Grant application: On May 18, 2023, CenterPoint Houston joined in the application of the PUCT seeking federal funds
- iv. Status: PUCT received notice that its application submitted on behalf of its assembled consortium was denied (Oct 18, 2023) with a subsequent enumeration of the application's strengths and weaknesses provided (Nov 2023); see Attachments: GCCC RFI02-03 -- DE-FOA-0002740 PUCT et al 3019_FOA 2740_Notification Letter (Oct 18 2023).pdf and GCCC RFI02-03 -- DE-FOA-0002740 PUCT et al 3019_Strengths and Weaknesses (Nov 2023).pdf

2. GRIP Round #2 -- DE-FOA-0003195

- a. Description:
 - i. Overview of GRIP Round #2:
 - 1. Attachment: GCCC RFI02-03 -- November 20 GRIP FOA Second Round Kickoff Webinar Presentation Slides 508 Compliant.pdf
 - ii. Same 3 Topic Areas as GRIP Round #1 under which applicants could apply:
 - 1. Grid Resilience Grants
 - 2. Smart Grid Grants
 - 3. Grid Innovation Program
- b. Concept Paper: CenterPoint Houston filed two concept papers on Jan 10, 2024 under Topic Areas 1 & 2:
 - i. Distribution Circuit and Substation Resilience Improvements (Topic Area 1): see Attachment: GCCC RFI02-03 -- DE-FOA-0003195 -- Filed CEHE GRIP 2 Dist Cir_Sub Concept Paper (Topic Area 1) (confidential).pdf
 - ii. Advanced Metering Infrastructure 2.0 (Topic Area 2): see Attachment: GCCC RFI02-03 -- DE-FOA-0003195 -- Filed CEHE GRIP 2 AMI Concept Paper (Topic Area 2) (confidential).pdf
- c. DOE Response to Concept Papers:
 - i. Distribution Circuit and Substation Resilience Improvements (Topic Area 1) -- DOE sent a letter **encouraging** CenterPoint Houston to file a full application; see Attachment: GCCC RFI02-03 -- DE-FOA-0003195-1809 CEHE GRIP 2 Dist Cir_Sub Notice of Encourage DOE (Feb 29 2024)
 - ii. Advanced Metering Infrastructure 2.0 (Topic Area 2) -- DOE sent a letter **discouraging** CenterPoint Houston from filing a full application; see Attachment: GCCC RFI02-03 -- DE-FOA-0003195-1577 CEHE GRIP 2 AMI Notification Letter (Feb 29 2024).pdf
- d. Status
 - i. Distribution Circuit and Substation Resilience Improvements (Topic Area 1) Grant Application -- CenterPoint Houston is currently preparing a \$100 million grant application for Distribution Circuit and Substation Resilience Improvements (Topic Area 1) that is due 4/17/2024

3. Texas Division of Emergency Management (TDEM) -- DOE Grid Resiliency Grants

- 1. Description:
 - i. \$150M (\$30M over 5 yrs) in cost-matching funding provided by DOE to improve resilience of electric grids against disruptive events
 - ii. Overview of program:
 - 1. Attachment: GCCC RFI02-03 -- NOFO GRG 1.pdf
- 2. Status/Grant Applications:
 - i. CenterPoint Houston is in the early stages of the application process with two separate applications under consideration
 - ii. Applications are due: Jun 28, 2024

Some of the attachment(s) are confidential and are being provided pursuant to the Protective Order issued in Docket No. 56211.

SPONSOR:

Jason Ryan

RESPONSIVE DOCUMENTS:

RFI02-03 -- DE-FOA-0002740 2022.12.14 CenterPoint Energy_DOE GRIP Topic 1 Concept Paper (confidential).pdf

RFI02-03 -- DE-FOA-0002740 CEHE 1027 Strengths and Weaknesses (Nov 2023).pdf

RFI02-03 -- DE-FOA-0002740 CEHE 1027_FOA 2740_Notification Letter.pdf

RFI02-03 -- DE-FOA-0002740 CEHE Apr 2023 Application (confidential).zip

RFI02-03 -- DE-FOA-0002740 CEHE FOA2740_TA1_CP033_E Notice of Encourage DOE (Feb 2 2023).pdf

RFI02-03 -- DE-FOA-0002740 PUCT et al 3019_FOA 2740_Notification Letter (Oct 18 2023).pdf

RFI02-03 -- DE-FOA-0002740 PUCT et al 3019_Strengths and Weaknesses (Nov 2023).pdf

RFI02-03 -- DE-FOA-0002740 PUCT et al Concept Paper _DOE Coastal Resiliency TEGREP Friday 13 FINAL (confidential).pdf

RFI02-03 -- DE-FOA-0003195 -- Filed CEHE GRIP 2 AMI Concept Paper (Topic Area 2) (confidential).pdf

RFI02-03 -- DE-FOA-0003195 -- Filed CEHE GRIP 2 Dist Cir_Sub Concept Paper (Topic Area 1) (confidential).pdf

RFI02-03 -- DE-FOA-0003195-1577 CEHE GRIP 2 AMI Notification Letter (Feb 29 2024).pdf

RFI02-03 -- DE-FOA-0003195-1809 CEHE GRIP 2 Dist Cir_Sub Notice of Encourage DOE (Feb 29 2024).pdf

RFI02-03 -- DOE GDO GRIP Program Webinar Presentation 11.29.22-CORRECTED 12.14.pdf

RFI02-03 -- NOFO GRG 1.pdf

RFI02-03 -- November 20 GRIP FOA Second Round Kickoff Webinar Presentation Slides 508 Compliant1.pdf

**DE-FOA-0002740 BIL – Grid Resilience and Innovation Partnerships (GRIP)
SUMMARY of STRENGTHS AND WEAKNESSES**

Topic Area: 1
Applicant: CenterPoint Energy Houston Electric LLC
Grants.Gov ID #: GRANT13847448
Project Title: Distribution Circuit and Substation Resilience Improvements.

Criterion # 1: Impact, Transformation, and Technical Merit

Strengths

The application supports several FOA – TA1 objectives and desired outcomes such as: weatherization technologies and equipment; the undergrounding of electrical equipment; utility pole management; hardening of power lines, facilities, substations, and other systems; and replacement of old overhead conductors and underground cables. These upgrades will limit and reduce downtime in following natural disasters.

The application considers a high threshold for flood-proofing substations (500-year flood). Targeted Justice40 communities, Houston City identified under-served communities, and NOAA high climate risk county for resilience. The application gives a very detailed technical response on why projects were chosen and what the expected added benefit would be in terms of resilience against hurricanes.

Weaknesses

The application lacks details on how this project will align with state, local, tribal, etc. goals on climate and resilience and how this project aligns with private sector investments. The application does not adequately describe how economic and industry benefits from grid hardening in these areas besides Houston being a major port city.

Criterion # 2: Project Plan and Project Financial Feasibility

Strengths

The application clearly demonstrates a well-defined project plan with major goals defined in a reasonable timeline. The plan is broken down into achievable tasks with reasonable timelines seen in Fig. 5 of the technical volume. The milestones and deliverables are well defined, trackable, and measurable. The SMART goal guideline was followed and is well defined in the proposal.

The application adequately defines how the net benefit of DOE funding will be 300 miles of distribution circuit infrastructure improvements and five substation sites with state-of-the-art resilience over two years earlier than without funding.

Weaknesses

The application does not adequately lay out the project risks and how those will be managed. There is also no timeline specified for the substation rebuild, and the application lacks detail how this project will accelerate areas economically, industrially, etc.

Criterion # 3: Management Team and Project Partners

Strengths

The application fully demonstrates a strong team with the requisite skills and experience to accomplish the goals of the application. The team has the breadth and depth of expertise directly applicable for the work described. The team has succeeded in the past on projects of greater risk and complexity.

Weaknesses

The application does not articulate time commitments for the team members. The application list vendors in the budget spreadsheet but there is no mention of them in the report or any partnerships with these vendors.

Criterion # 4: Community Benefits Plan

Strengths

The Applicant expects to hire 125 additional contractors, line workers from local unions and they would remain at least for the five-year duration of the Project and likely beyond. The application demonstrated a history of good community engagement around resilience planning. There are letters of support from multiple community-based organizations. The application meets Justice 40 Initiative as outlined in criterion one. GRIP funding will help facilitate valuable training and experience in the use of the new modular fiberglass poles and similar resilience-enhancing upgrades for workers who may not otherwise have access to that training. Hosted an inaugural Supplier Diversity Leadership Symposium in 2022 to increase and promote vendor diversity.

Weaknesses

The application is vague on how the community engagement will evolve going forward. The application also discusses a new fiberglass manufacturing facility in a DAC but fails to say if they will be used for supply for this project. The application on shows use of only the standard company diversity/equity/inclusion guidelines. The project lacks how DOE funding would expand and specifically use diversity/equity/inclusion to benefit the project and community. The application lacks detail on the use of MBEs, MSIs, etc. for this project specifically.

**NATIONAL ENERGY TECHNOLOGY LABORATORY**

Albany, OR • Morgantown, WV • Pittsburgh, PA



October 18, 2023

SENT VIA ELECTRONIC MAIL

CenterPoint Energy Houston Electric, LLC
Jason Ryan
1111 Louisiana Street, Houston, TX 77002-5228
jason.ryan@centerpointenergy.com

SUBJECT: Topic Area 1 Application Number GRANT13847448, titled "Distribution Circuit and Substation Resilience Improvements."

Dear Jason Ryan:

Evaluation of your application received in response to Funding Opportunity Announcement (FOA) number DE-FOA-0002740 titled "BIL – Grid Resilience and Innovation Partnerships (GRIP)" has been completed in accordance with the process specified in the "Application Review Information" section of the Funding Opportunity Announcement.

We regret to inform you that based on this evaluation, your application has not been selected for award. Your application's strengths and weaknesses will be provided in a separate email on approximately November 10, 2023. This information will be provided to you as important feedback on the quality of your application and will hopefully be valuable to you in the preparation of future applications. This letter and the strengths and weaknesses document will constitute your sole debriefing for this FOA.

This process was highly competitive, with less than 20% of applications being selected for negotiation across the GRIP program. We strongly encourage you to consider applying in subsequent GRIP funding cycles, and to incorporate the feedback regarding your application's strengths and weaknesses in any future applications.

On behalf of the Department, I would like to express a sincere appreciation for your interest and participation in this program and encourage your participation in future programs. If you have any questions, please contact Janet Laukaitis at 412-386-5173 or janet.laukaitis@netl.doe.gov.

Sincerely,

Jacquelyn M. Wilson
Contracting Officer
Finance and Acquisition Center

cc: FOA File
randy.pryor@centerpointenergy.com

**NATIONAL ENERGY TECHNOLOGY LABORATORY**

Albany, OR • Morgantown, WV • Pittsburgh, PA



February 2, 2023

SENT VIA ELECTRONIC MAIL

CenterPoint Energy
Christine Keck
christine.keck@centerpointenergy.com

SUBJECT: Funding Opportunity Announcement (FOA) no. DE-FOA-0002740, titled "BIL – Grid Resilience and Innovation Partnerships (GRIP)" – Concept Paper review results.

Concept Paper Identification Code: TA1-033-E

Dear Christine Keck:

Thank you for submitting a Concept Paper in response to the subject FOA. The Concept Paper for proposed project titled "Distribution Circuit Resilience Improvements and Substation Flood Control" was carefully reviewed in accordance with the evaluation criteria in the FOA.

Based on the results of the Concept Paper review, you (your organization) are (is) hereby **encouraged to submit a full application** in accordance with the instructions and requirements contained within the FOA by the due date/time specified on the FOA cover page. Please be advised that receiving a letter of encouragement does not guarantee that an application will be selected for negotiations leading to award.

The Department of Energy (DOE) has identified potential area(s) for improvement based on the concept paper merit review criteria identified in the FOA (see below). DOE will not provide any additional feedback or guidance beyond what is provided below.

_____ The Concept Paper did not propose or thoroughly describe how the proposed work, if successfully accomplished, would clearly meet the objectives as stated in the FOA for the specific topic area.

_____ The Concept Paper does not clearly describe how the proposed work aligns with and supports State, local, Tribal, regional resilience, decarbonization, or other energy strategies and plans.

_____ The Concept Paper does not adequately identify risks and challenges, including possible mitigation strategies, and/or has not adequately shown the impact that the DOE funding and the proposed project would have on the relevant field and application.

_____ The Concept Paper does not adequately identify strategies to ensure meaningful community and labor engagement; quality jobs and workforce development; energy and environmental justice and the Justice40 Initiative; and diversity, inclusion, accessibility—including methods to ensure accountability.

_____ The proposed project team does not appear to have adequate qualifications, experience, capabilities, and other resources necessary to complete the proposed project.

CenterPoint Energy

Page 2 of 2

If your organization chooses to submit a full application, **please include the concept paper identification code identified above in your full application, preferably in the file name and on the cover page of the technical volume.** The code is specific to this concept paper submission.

Please also ensure you have carefully read the Registrations Requirements located in the FOA document. There are several one-time actions that must be completed before submitting an application in response to this FOA (e.g., register with the System for Award Management (SAM), obtain a Unique Entity Identifier (UEI) number, register with Grants.gov, and register with FedConnect.net to submit questions). It is vital that applicants address these items as soon as possible. Some may take several weeks, and failure to complete them could interfere with an applicant's ability to apply to this FOA.

The DOE will conduct a webinar on Wednesday, February 8, 2023, 2:00 PM – 3:00 PM EST. To register for the webinar, please copy and paste the following link into your browser:

<https://doe.webex.com/webex/register/rfca95eb9eccfde52d05f0e59408aa2a0> . The purpose of the webinar is to discuss and emphasize FOA requirements within the FOA document that applicants may need to focus on in the full application. Attendance is not mandatory and will not positively or negatively impact the overall review of any applicant submissions. Questions will not be taken as part of this webinar.

The DOE did not make an applicant eligibility determination as part of the concept paper review.

Applicant eligibility determinations will be considered at the full application stage of the FOA process. To be considered for substantive evaluation, an applicant's submission must meet the criteria set forth in Section III.A of the FOA (Eligible Applicants). If the full application does not meet the eligibility requirements, it will be considered ineligible and removed from further evaluation.

The DOE recognizes the significant effort your organization expended to prepare a concept paper in response to this FOA. On behalf of the DOE, the FOA team would like to express our appreciation for your interest in the Grid Deployment Office and this FOA.

Sincerely,

DE-FOA-0002740 Team

Email CC:
randy.pryor@centerpointenergy.com

**NATIONAL ENERGY TECHNOLOGY LABORATORY**

Albany, OR • Morgantown, WV • Pittsburgh, PA



October 18, 2023

SENT VIA ELECTRONIC MAIL

Public Utility Commission of Texas
Virginia Stephens
1701 N. Congress Ave., P.O. Box 13326, Austin, TX 78711-3326
va.stephens@puc.texas.gov

SUBJECT: Topic Area 3, Application Number GRANT13888372, titled "GRID RESILIENCY AND RELIABILITY ENHANCEMENT FOR THE TEXAS COASTAL REGION (TEGREP)"

Dear Virginia Stephens:

Evaluation of your application received in response to Funding Opportunity Announcement (FOA) number DE-FOA-0002740 titled "BIL – Grid Resilience and Innovation Partnerships (GRIP)" has been completed in accordance with the process specified in the "Application Review Information" section of the Funding Opportunity Announcement.

We regret to inform you that based on this evaluation, your application has not been selected for award. Your application's strengths and weaknesses will be provided in a separate email on approximately November 10, 2023. This information will be provided to you as important feedback on the quality of your application and will hopefully be valuable to you in the preparation of future applications. This letter and the strengths and weaknesses document will constitute your sole debriefing for this FOA.

This process was highly competitive, with less than 20% of applications being selected for negotiation across the GRIP program. We strongly encourage you to consider applying in subsequent GRIP funding cycles, and to incorporate the feedback regarding your application's strengths and weaknesses in any future applications.

On behalf of the Department, I would like to express a sincere appreciation for your interest and participation in this program and encourage your participation in future programs. If you have any questions, please contact Janet Laukaitis at 412-386-5173 or janet.laukaitis@netl.doe.gov.

Sincerely,

Jacquelyn M. Wilson
Contracting Officer
Finance and Acquisition Center

cc: FOA File
Jimmy.Glotfelty@puc.texas.gov

**DE-FOA-0002740 BIL – Grid Resilience and Innovation Partnerships (GRIP)
SUMMARY of STRENGTHS AND WEAKNESSES**

Topic Area: 3
Applicant: Public Utility Commission of Texas
Grants.Gov ID #: GRANT13888372
Project Title: GRID RESILIENCY AND RELIABILITY ENHANCEMENT FOR
THE TEXAS COASTAL REGION (TEGREP)

Criterion # 1: Impact and Market Viability

Strengths

The application partially demonstrates innovative approaches to support deployment goals through T&D improvements to integrate additional renewable resources and future offshore wind and geothermal generation. Additionally, the application provides approaches to integrate a HVDC backbone, coupled with microgrids, that would connect major ports and population centers to support the ERCOT system in being more resilient from hurricanes.

The application enhances collaboration by bringing together the Texas PUC, ERCOT, investor-owned utilities, distribution cooperatives, municipal utilities university, and the Texas Workforce Commission.

The application demonstrates alignment with resilience and reliability goals within the State and Country. Development of broad resiliency metrics, models, and analytics will allow for planning to improve the overall grid network's reliability and resiliency.

Weaknesses

The application does not demonstrate, with enough detail, the way in which this project will spur future non-federal investments or how it will support a path to future replicability in other regions

Criterion # 2: Project Plan and Project Financial Feasibility

Strengths

The application demonstrates an understanding of the project risks and includes a strong risk management approach.

The application demonstrates a reasonable budget and spend plan for a project of this scope. PUCT's direct involvements further

increases the financial feasibility of this application.

The application demonstrates the project is technically viable.

Weaknesses The application did not provide adequate detail on the baseline data, metrics, and Go/No-Go decision points.

The application does not adequately demonstrate the additive benefit from federal funding in either; the project not occurring without or how it will accelerate existing plans.

Criterion # 3: Management Team and Project Partners

Strengths The application provides a clear description of the strong leadership team. The team has great experience from a wide variety of private and public entities with clear roles and responsibilities, indicating high capability of managing the proposed work with high probability of success. The strong project management as evidenced by the PUCT Commissioner's resume further indicates the capability to manage the project with a high probability of success.

The application includes letter of commitment from a range of partners, including business organizations, educational and community organizations, several ports, and a medical facility.

The application demonstrates a project team that is qualified and experienced. The approach outlined in the application is sound and reasonable.

Weaknesses None

Criterion # 4: Community Benefits Plan

Strengths The application demonstrates a clear and robust plan to engage with community-based organizations and labor unions. More than 14 entities are included within the application, representing different levels of state and local government, nonprofits, workforce development groups, and business groups.

The application partially demonstrates incorporation of diversity, equity, inclusion, and accessibility goals within the project through the project partners details plans and the development of a pool of suppliers that reflect the customers that it serves.

Weaknesses The application does not include meaningful discussion on the impact to communities nor provide opportunities for engagement within DACs. No identification on the proportion of benefits which would flow to DACs is included within the application.


NATIONAL ENERGY TECHNOLOGY LABORATORY

Albany, OR • Morgantown, WV • Pittsburgh, PA



February 29, 2024

SENT VIA ELECTRONIC MAIL

CenterPoint Energy Houston Electric LLC
 Riley Stinnett
 riley.stinnett@centerpointenergy.com

SUBJECT: Funding Opportunity Announcement (FOA) no. DE-FOA-0003195, titled "Bipartisan Infrastructure Law (BIL) – Grid Resilience and Innovation Partnerships (GRIP)" – Concept Paper Notification

Concept Paper Control Number: 3195-1577

Dear Riley Stinnett:

Thank you for submitting a Concept Paper under Topic Area 2 in response to the subject FOA. The Concept Paper for proposed project titled "Advanced Metering Infrastructure 2.0" was carefully reviewed in accordance with the evaluation criteria in the FOA.

Based on the results of the Concept Paper review, you (your organization) are (is) hereby **discouraged from submitting a full application for one or more of the following reasons.**

☐ The Concept Paper did not propose or thoroughly describe how the proposed work, if successfully accomplished, would clearly meet the objectives as stated in the FOA for the specific topic area.

☐ The Concept Paper does not clearly describe how the proposed work aligns with and supports State, local, Tribal, and/or regional resilience, decarbonization, or other energy strategies and plans.

☒ The Concept Paper does not adequately identify risks (e.g. technical, financial, market, environmental, regulatory) and challenges, including possible mitigation strategies, to project success.

☒ The Concept Paper has not adequately identified, including possible mitigation strategies, technical, operational, and administrative risks to the security of the applicant's assets.

☒ The Concept Paper has not adequately explained the impact of DOE funding.

☐ The Concept Paper does not adequately propose strategies and accountability mechanisms to ensure:

- a. Meaningful community and labor engagement,
- b. Quality jobs and workforce development,
- c. Support for Diversity, equity, inclusion, accessibility,
- d. Supporting the goals of the Justice40 Initiative.

☐ The proposed project team does not appear to have adequate qualifications, experience, capabilities, and other resources necessary to complete the proposed project.

CenterPoint Energy Houston Electric LLC

Page 2 of 2

February 29, 2024

___ The applicant has not adequately provided an estimated total project cost, and/or characterized the project's economic viability, and/or demonstrated that the project provides enhanced system value and/or provides improved current and future system cost-effectiveness and delivers economic benefit.

Receipt of a discouragement notification for your Concept Paper does not prohibit your organization from submitting a full application in accordance with the instructions and requirements contained within the FOA by the due date/time specified on the FOA cover page.

This letter comprises the sole debriefing the DOE will provide with regard to your Concept Paper.

Please also ensure you have carefully read the Registrations Requirements located in the FOA document. There are several one-time actions that must be completed before submitting an application in response to this FOA (e.g., register with the System for Award Management (SAM), obtain a Unique Entity Identifier (UEI) number, etc.). It is vital that applicants address these items as soon as possible. Some may take several weeks, and failure to complete them could interfere with an applicant's ability to apply to this FOA.

The DOE will conduct two webinars in the coming weeks:

- On March 5, 2024, 1:00 PM – 2:00 PM EST DOE will conduct a Community Benefits Plan training webinar for applicants that will include important program update information. To register for the webinar, please copy and paste the following link into your browser:
<https://doe.webex.com/webex/register/rf943977a9b8d61037c9bacc55cacdb73>
- On March 12, 2024, 3:30 PM – 4:30 PM EST DOE will conduct a Program Update webinar that will include more detail on program updates as well as broad guidance to applicants based on our findings from the Concept Paper review process. To register for the webinar, please copy and paste the following link into your browser: <https://doe.webex.com/webex/register/ra5824dcfd55a545813f140b54474b8af>
- The purpose of these webinars is to discuss and emphasize FOA requirements within the FOA document that applicants may need to focus on in the full application. Attendance is not mandatory and will not positively or negatively impact the overall review of any applicant submissions. Questions will not be taken as part of these webinars.

The DOE did not make an applicant eligibility determination as part of the concept paper review. Applicant eligibility determinations will be considered at the full application stage of the FOA process. To be considered for substantive evaluation, an applicant's submission must meet the criteria set forth in Section III.A of the FOA (Eligible Applicants). If the full application does not meet the eligibility requirements, it will be considered ineligible and removed from further evaluation.

The DOE recognizes the significant effort your organization expended to prepare a concept paper in response to this FOA. On behalf of the DOE, the FOA team would like to express our appreciation for your interest in the Grid Deployment Office and this FOA.

Sincerely,

DE-FOA-0003195 Team

Email CC:

kerry.waite@centerpointenergy.com



NATIONAL ENERGY TECHNOLOGY LABORATORY

Albany, OR • Morgantown, WV • Pittsburgh, PA



February 29, 2024

SENT VIA ELECTRONIC MAIL

CenterPoint Energy Houston Electric LLC
Riley Stinnett
riley.stinnett@centerpointenergy.com

SUBJECT: Funding Opportunity Announcement (FOA) no. DE-FOA-0003195, titled “Bipartisan Infrastructure Law (BIL) – Grid Resilience and Innovation Partnerships (GRIP)” – Concept Paper Notification

Concept Paper Control Number: 3195-1809

Dear Riley Stinnett:

Thank you for submitting a Concept Paper under Topic Area 1 in response to the subject FOA. The Concept Paper for proposed project titled “Distribution Circuit and Substation Resilience Improvements” was carefully reviewed in accordance with the evaluation criteria in the FOA.

Based on the results of the Concept Paper review, your organization is hereby **encouraged to submit a full application** in accordance with the instructions and requirements contained within the FOA by the due date/time specified on the FOA cover page. Please be advised that receiving a letter of encouragement does not guarantee that an application will be selected for negotiations leading to award.

If the Department of Energy (DOE) has identified potential area(s) for improvement based on the concept paper merit review criteria identified in the FOA, it is marked with an “X” (see below). DOE will not provide any additional feedback or guidance beyond what is provided below.

☐ The Concept Paper did not propose or thoroughly describe how the proposed work, if successfully accomplished, would clearly meet the objectives as stated in the FOA for the specific topic area.

☐ The Concept Paper does not clearly describe how the proposed work aligns with and supports State, local, Tribal, and/or regional resilience, decarbonization, or other energy strategies and plans.

☒ The Concept Paper does not adequately identify risks (e.g. technical, financial, market, environmental, regulatory) and challenges, including possible mitigation strategies, to project success.

☒ The Concept Paper has not adequately identified, including possible mitigation strategies, technical, operational, and administrative risks to the security of the applicant’s assets.

☐ The Concept Paper has not adequately explained the impact of DOE funding.

☐ The Concept Paper does not adequately propose strategies and accountability mechanisms to ensure:

- a. Meaningful community and labor engagement,
- b. Quality jobs and workforce development,
- c. Support for Diversity, equity, inclusion, accessibility,
- d. Supporting the goals of the Justice40 Initiative.

CenterPoint Energy Houston Electric LLC

Page 2 of 2

February 29, 2024

___ The proposed project team does not appear to have adequate qualifications, experience, capabilities, and other resources necessary to complete the proposed project.

___ The applicant has not adequately provided an estimated total project cost, and/or characterized the project's economic viability, and/or demonstrated that the project provides enhanced system value and/or provides improved current and future system cost-effectiveness and delivers economic benefit.

This letter comprises the sole debriefing the DOE will provide with regard to your Concept Paper.

Please also ensure you have carefully read the Registrations Requirements located in the FOA document. There are several one-time actions that must be completed before submitting an application in response to this FOA (e.g., register with the System for Award Management (SAM), obtain a Unique Entity Identifier (UEI) number, etc.). It is vital that applicants address these items as soon as possible. Some may take several weeks, and failure to complete them could interfere with an applicant's ability to apply to this FOA.

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The DOE recognizes the significant effort your organization expended to prepare a concept paper in response to this FOA. On behalf of the DOE, the FOA team would like to express our appreciation for your interest in the Grid Deployment Office and this FOA.

Sincerely,

DE-FOA-0003195 Team

Email CC:

kerry.waite@centerpointenergy.com



DE-FOA-0002740 Grid Resilience and Innovation Partnerships (GRIP) Program

Colin Meehan

November 29, 2022



Webinar Notice

- ▶ None of the information presented herein is legally binding.
- ▶ The content included in this presentation is intended for informational purposes only relating to the Funding Opportunity Announcement (FOA) DE-FOA-0002740.
- ▶ Any content within this presentation that appears discrepant from the FOA language is superseded by the FOA language.
- ▶ All applicants are strongly encouraged to carefully read the FOA guidelines and adhere to them.



Q&A Session To Follow

- ▶ There will be a portion dedicated to answering questions during Webinar
 - Please submit all questions during this webinar via the control panel.
 - DOE will answer as many questions as time permits. If a question response requires a more detailed response or additional input, the response will be posted on FedConnect. Questions and answers from this presentation will be posted on FedConnect.
- ▶ Questions regarding specific proposals/concept papers cannot be currently addressed.
- ▶ If you still have a question following the webinar, please submit it through the FedConnect portal (<https://www.fedconnect.net/>).



Grid Resilience and Innovation Partnerships (GRIP)

Program Overview

- ▶ These programs will be released as one funding opportunity but provide opportunities for various applications to various entities including states, tribes, utilities, and industry.
 - Topic Area 1- Grid Resilience Grants (Competitive)
 - Topic Area 2- Smart Grid Grants (Competitive)
 - Topic Area 3- Grid Innovation Program (Competitive)
- ▶ **DOE Goals for the GRIP Program**
 - Transform community, regional, interregional, and national resilience, including in consideration of future shifts in generation and load
 - Catalyze and leverage private sector and non-federal public capital for impactful technology and infrastructure deployment
 - Advance community benefits
- ▶ **Concept papers are a required first step in the application process and due by:**
 - Grid Resilience Grants- December 16, 2022
 - Smart Grid Grants- December 16, 2022
 - Grid Innovation Program- January 13, 2023



Grid Resilience Funding Available through BIL

Topic Area	GRIP Program	Total Funding Amount (FY 22-26)	Approximate Total Federal Funding For All Awards- 1st Issue of FOA 2740	BIL Provision and Purpose
1	Grid Resilience Grants (Utility and Industry)	\$2.5 billion	\$918 million	Preventing Outages and Enhancing the Resilience of the Electric Grid / Hazard Hardening (Sec. 40101(c))
2	Smart Grid Grants	\$3 billion	\$1.08 billion	Deployment of Technologies to Enhance Grid Flexibility (Sec. 40107)
3	Grid Innovation Program	\$5 billion	\$1.82 billion	Program Upgrading Our Electric Grid and Ensuring Reliability and Resiliency (Sec. 40103(b))
	TOTAL	\$10.5 billion	\$3.82 billion	



Application Submission Timing / Info

FOA Released: November 18, 2022					
Topic Area 1		Topic Area 2		Topic Area 3	
Grid Resilience Grants (40101c)		Smart Grid Grants (40107)		Grid Innovation Program (40103b)	
Concept Papers Due	December 16, 2022	Concept Papers Due	December 16, 2022	Concept Papers Due	January 13, 2023
Response to Concept Papers	February 2023	Response to Concept Papers	February 2023	Response to Concept Papers	March 2023
Full Applications Due	April 6, 2023	Full Applications Due	March 17, 2023	Full Applications Due	May 19, 2023

An entity may submit more than one Concept Paper and Full Application to this FOA, provided that each application describes a unique, scientifically distinct project and provided that an eligible Concept Paper was submitted for each Full Application.



Concept Papers

Submission Requirements

- ▶ Email all required documents to FOA2740@netl.doe.gov by the deadline identified in the FOA.
- ▶ Applicants are strongly encouraged to submit their Concept Papers and Full Applications at least 48 hours in advance of the submission deadline.

Content and Form*:

Section	Maximum Page Number	Description
Cover Page	1	Project title, location, POC, topic area, etc.
Project/Technology Description	12	Technical approach, eligibility, resilience benefits, readiness, viability, timing, etc.
Community Benefits Plan	5	Community/labor approach, DEIA, J40, etc.
Addendum A	5	Qualifications and expertise of project team
Addendum B	N/A	For Topic Area 1, small utility EIA Form 861

*Please also see Section IV.C of the FOA for further information on Concept Papers.



1. Grid Resilience Grants (Utility and Industry)

\$2.5B Total (FY 22-26)
FY22 and 23: Up to \$918 Million

- ▶ Eligible Entities Include*:
 - Electric grid operators
 - Electric storage operators
 - Electricity generators
 - Transmission owners or operators
 - Distribution providers
 - Fuel suppliers
- ▶ Capped at the amount the eligible entity has spent last 3 years of resilience investments or \$100 million, whichever is lower.
- ▶ Small Utility Set Aside (for those selling no more than 4 million MWh of electricity per year)
 - Must match 1/3 of grant amounts received
 - At least 30% must go to small utilities
- ▶ Cost Share: 100% (except for small utilities that must match 1/3 of grant amount)**

*Please also see Section III.A of the FOA for Eligibility Information.

**Please also see Section III.B of the FOA for Cost Sharing Requirements.



Resilience investments allowed under Competitive Grant*

Broad range of activities, technologies, equipment and hardening measures:

- ▶ Utility pole management
- ▶ Hardening of power lines, facilities, substations, of other systems
- ▶ Undergrounding of electrical equipment
- ▶ Replacement of old overhead conductors and underground cables
- ▶ Relocation of power lines or reconductoring of power lines with low-sag, advanced conductors
- ▶ Vegetation and fuel-load management
- ▶ Weatherization technologies and equipment
- ▶ Fire-resistant technologies and fire prevention systems
- ▶ Monitoring and control technologies
- ▶ Use or construction of distributed energy resources for enhancing system adaptive capacity during disruptive events, including microgrids, and battery-storage subcomponents
- ▶ Adaptive protection technologies
- ▶ Advanced modeling technologies

Resilience measures that are **NOT** allowed under this provision include:
Construction of a new - electric generating facility; or large-scale battery-storage facility that is not used for enhancing system adaptive capacity during disruptive events; or cybersecurity.

*Please also see Section I.B. of the FOA for Eligible Investment Information.



1. Grid Resilience Grant Priority Investment Areas*

- ▶ **In the selection process, DOE will prioritize applications that address community transformation or the ability to leverage capital investments.**
 - DOE is particularly interested in applications for adaptive storage deployment, microgrid deployment, and the undergirding of existing distribution and transmission lines – in addition to other eligible projects and solutions that provide significant benefit.
- ▶ **Activities that reduce the likelihood and consequence of impacts to the grid from extreme weather and other natural disasters**
 - Broad range of activities, technologies, equipment, and hardening measures eligible for funding
- ▶ **Transformational, comprehensive approach to mitigating one or more hazards across a region or within a community**
 - Concurrently, DOE encourages applicants to align proposed grid resilience and grid hardening investments with broader State, Tribal, or regional resilience or energy security plans.

Resilience measures that are **NOT** allowed under this provision include:
Construction of a new - electric generating facility; or large-scale battery-storage facility that is not used for enhancing system adaptive capacity during disruptive events; or cybersecurity.

*Please also see Section I.B. of the FOA for Priority Investment Information.

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2. Smart Grid Grants

\$3B total (FY 22-26)
FY22 and 23: Up to \$1,080 Million

- | | |
|---|--|
| <ul style="list-style-type: none"> ▶ Grants to support the deployment of technologies to enhance grid flexibility ▶ Eligible Entities Include*: <ul style="list-style-type: none"> ▪ Institutions of higher education ▪ For-profit entities ▪ Non-profit entities ▪ State and local governmental entities, and tribal nations ▶ Cost Share: At least 50% of grant** | <p>Goals & Objectives:</p> <ul style="list-style-type: none"> ▶ Increase Transmission Capacity <ul style="list-style-type: none"> ▪ Grid Enhancing Technologies ▶ Mitigate Wildfires <ul style="list-style-type: none"> ▪ Asset Management Technologies ▶ Load Management/Electrification of “edge devices” <ul style="list-style-type: none"> ▪ Managed Charging/Grid Infrastructure and autonomous control ▶ Incorporate Secure Communications/Cybersecurity |
|---|--|

*Please also see Section III.A of the FOA for Eligibility Information.

**Please also see Section III.B of the FOA for Cost Sharing Requirements.

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2. Smart Grid Grant Priority Investment Areas*

- ▶ **Increasing transmission capacity and operational transfer capacity**
 - Grid enhancing technologies such as dynamic line rating, flow control devices, advanced conductors, and network topology optimization, to improve system efficiency and reliability.
- ▶ **Improving the visibility of the electrical system to grid operators**
 - Help quickly rebalance the electrical system with autonomous controls through data analytics, software, and sensors.
- ▶ **Enhance secure communication and data flow between distribution components:**
 - Investments in optical ground wire, dark fiber, operational fiber, and wireless broadband communications networks.
- ▶ **Aggregation and integration of distributed energy resources and other “grid-edge” devices to**
 - Provide system benefits, such as renewable energy resources, electric vehicle charging infrastructure, vehicle-to-grid technologies and capabilities, and smart building technologies.
- ▶ **Enhancing interoperability and data architecture of systems**
 - Support two-way flow of both electric power and localized analytics to provide information between electricity system operators and consumers.
- ▶ **Anticipate and mitigate the impacts of extreme weather or natural disaster on grid resiliency**
 - Investments to increase the ability to redirect or shut of power to minimize blackouts, prevent wildfires, and avoid further damage.

*Please also see Section I.B. of the FOA for Priority Investment Information.



3. Grid Innovation Program

\$5B Total (FY22–26) FY22 and 23: Up to \$1.8 Billion

- ▶ Demonstrate innovative approaches to transmission, distribution, and storage to harden and enhance resilience and reliability; and
- ▶ Demonstrate new approaches to enhance regional grid resilience implemented through States by public and rural electric cooperative entities on a cost-shared basis.
- ▶ Eligible Entities Include*
 - a State;
 - a combination of 2 or more States;
 - an Indian Tribe;
 - a unit of local government;
 - a public utility commission
- ▶ Cost Share: Minimum 50%**

*Please also see Section III.A. of the FOA for Eligibility Information.

**Please also see Section III.B of the FOA for Cost Sharing Requirements.



3. Grid Innovation Program (continued)*

Primary Objectives:

- ▶ Ensure reliable grid operations
- ▶ Improve overall grid resilience
- ▶ Enhance collaboration between and among eligible entities and private and public sector owners and operators on grid resilience
- ▶ Contribute to the decarbonization of the electricity and broader energy system
- ▶ Provide enhanced system value, improve current and future system cost-effectiveness and deliver economic benefits

Areas of Interest for Applications:

- ▶ Transmission Systems (e.g. capacity enhancements and renewable energy interconnection)
- ▶ Distribution Systems (e.g. advanced distribution grid assets and functionality)
- ▶ Combined Systems (e.g. demonstration of innovative approaches for improved joint resilience and functionality across both T&D)

*Please also see Section I.B. of the FOA for Priority Investment Information.

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Community Benefits Planning*

- ▶ In the Concept Paper, Applicants must describe succinctly the approach to be taken in the Community Benefits Plan, to be further detailed in the Full Application.
 - **Community and Labor Engagement**
 - Engaging with labor unions, local governments, Tribal entities, and community-based stakeholders, especially in disadvantaged communities.
 - **Investing in the American workforce**
 - Creating and retaining high quality, good-paying jobs with employer-sponsored benefits and the ability to organize and bargain collectively for all phases of work.
 - **DEIA**
 - Incorporating and measuring diversity, equity, inclusion and accessibility goals in the project.
 - **Justice40**
 - 40% of the overall benefits of certain climate and clean energy investments must flow to disadvantaged communities.

*For more information on Community Benefits Plans, please see: [Community Benefits Plan Frequently Asked Questions \(FAQs\)](#) | [Department of Energy](#)



GRIP FOA 2740 Updates*

- ▶ Key Updates
 - Concept Paper and Full Application Submission Schedule
 - Min/Max Award Sizes for each Topic Area
 - Technical Review Criteria and Program Policy Factors
- ▶ Other Items
 - Community Benefits Plan – additional details
 - Addition of Teaming Partner List to facilitate the formation of new project collaboration for this FOA.
 - Report on Resilience – additional details
 - Addition of Project Description and Assurances Document (PDAD)

****A Draft for Comment was issued on 08/30/2022 and closed on 10/14/2022. Based on the comments received, some changes were made to the final version prior to its release. Above is a non-exhaustive review of some of the key changes that resulted from the comments received***



Webinar Notice Reminder

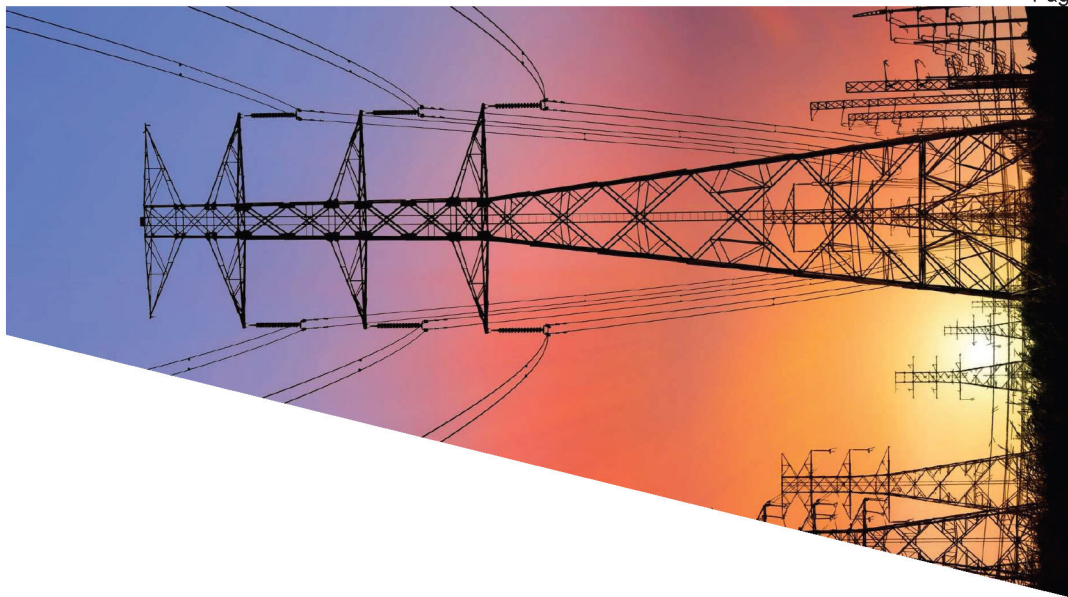
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Q&A Session

- ▶ Please submit all questions via the control panel.
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Thank you





NOTICE OF FUNDING OPPORTUNITY (NOFO)

SUMMARY

Governor Abbott and the Texas Division of Emergency Management (TDEM) announce the open application period for the Department of Energy (DOE) Preventing Outages and Enhancing the Resilience of the Electric Grid Formula Grants to States. The application period is now open and will end on **June 28, 2024**.

Under this program, TDEM provides competitive grants to eligible entities to improve the resilience of electrical grids against disruptive events.

All eligible entities seeking funding under this opportunity must meet certain match requirements.

TDEM will prioritize applications that generate the greatest community benefit in reducing the likelihood and consequences of disruptive events as required by DOE.

All applications must be received by TDEM through the Grants Management System (GMS) no later than **June 28, 2024 at 5:00PM CST** to be considered for funding.

Department of Energy: Preventing Outages and Enhancing the Resilience of the Electric Grid Formula Grants to States

APPLICANT ELIGIBILITY AND STATE PRIORITIES

Eligible Entities

The DOE defines the following as eligible public and private entities to request funding from TDEM: electric grid operators; electricity storage operators; electricity generators; transmission owners or operators; distribution providers; and fuel suppliers.

Priorities and Considerations

DOE will provide an annual funding allocation to the State of Texas for the five years spanning 2022 through 2026. TDEM will undertake a one-time process to review applications from eligible entities and issue all subawards at the beginning of this period. Certain projects may be provisionally approved as alternatives in the event projects TDEM approves are discontinued or delayed.

Available Funding

Total federal funding is estimated to be \$150,000,000 (approximately \$30,000,000 per year over 5 years, subject to annual formula funding by DOE).

KEY FUNDING REQUIREMENTS

Cost Matching - An eligible entity that receives a subaward under this program is required to match 100 percent of the amount of the subaward. However, if the eligible entity sells not more than 4,000,000 megawatt hours of electricity per-year, the required match will be one-third of the amount of the subaward. Eligible entities must also provide the 15% match required to be provided by the State.

Strong Labor Standards and Protections - Applicants must describe how their proposed projects will use strong labor standards and protections (including for direct employees, contractors, and sub-contractors), such as through the use of project labor agreements, and local hire agreements. In addition, construction contracts will be subject to Davis-Bacon prevailing wage requirements.

Skilled Workforce - Applicants must describe their plan to attract, train, and retain an appropriately skilled workforce (i.e., through registered apprenticeships and other joint labor-management training programs; plans to partner with a training provider; and the use of an appropriately credentialed workforce.)

Greatest Community Benefit - TDEM will prioritize applications that generate the greatest community benefit in reducing the likelihood and consequences of disruptive events as required by DOE.

PRIORITIZED ELIGIBLE ACTIVITIES

- ✓ Weatherization technologies and equipment
- ✓ Fire-resistant technologies and fire prevention systems
- ✓ Monitoring and control technologies
- ✓ Vegetation and fuel-load management
- ✓ Adaptive protection technologies
- ✓ Advanced modeling technologies

INFORMATIONAL SESSION

Virtual information sessions will be held starting March 19, 2024 through May 2, 2024. Please click on the links below to select one or more session. It is strongly recommended that you attend one or more of these sessions. While the basic content will be the same in each session, hearing new questions and updates will be beneficial through the application development period. A list of frequently asked questions and answers will be posted on the TDEM GRG webpage for reference.

Tuesday's at 9:00 AM Central Standard Time

Thursday's at 1:00 PM Central Standard Time

TRAINING AND DOE PROGRAM INFORMATION

Click on the links below to be redirected for information.

Department of Energy Formula Grants to States (Reference)
<https://netl.doe.gov/bilhub/grid-resilience/formula-grants>

Federal Procurement Training (Required)

TDEM Federal Procurement Training

Required Grant Terms and Conditions (Review Only)

Terms and Conditions

CONTACT INFORMATION

Contact Information – Regional Section Chiefs

TDEM Regional Section Chiefs

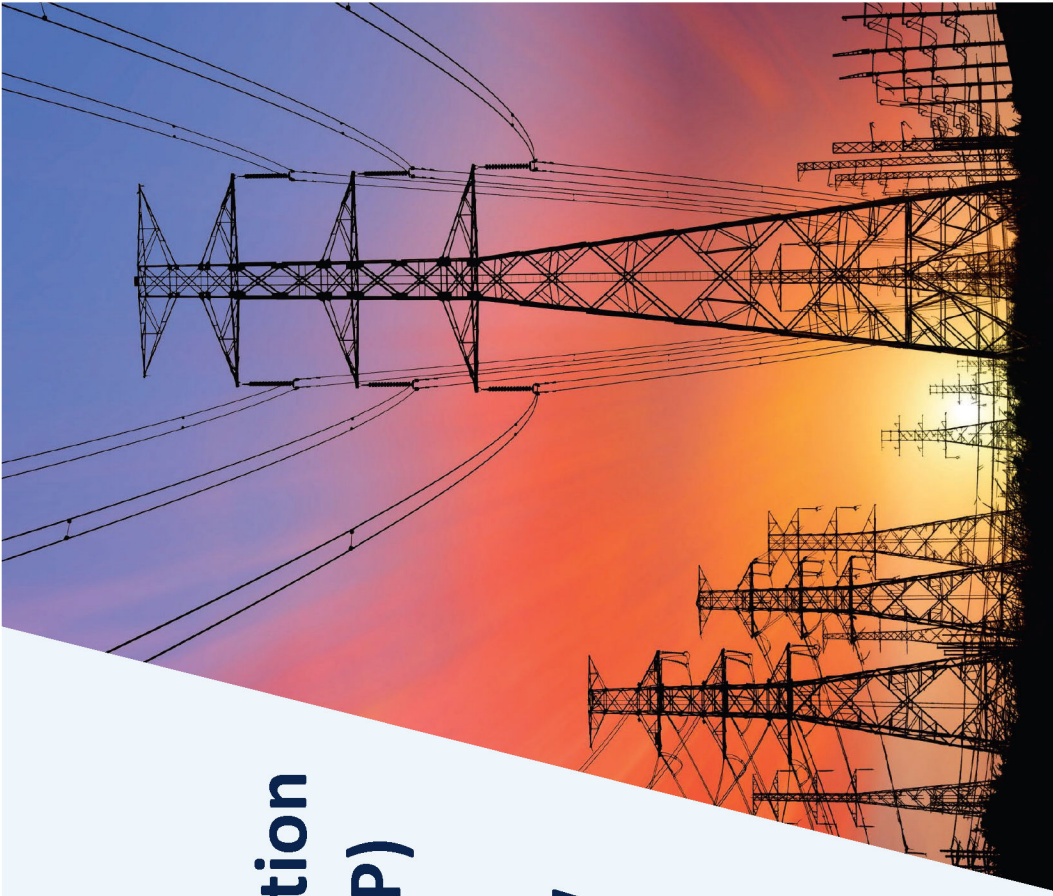


Grid Resilience and Innovation Partnerships Program (GRIP)

DE-FOA-0003195 Overview

Colin Meehan, GRIP Program Manager, Grid
Deployment Office

November 20, 2023



Housekeeping

Questions?

If you have technical questions – please put them in the chat box for the host.

✕

✓ Chat

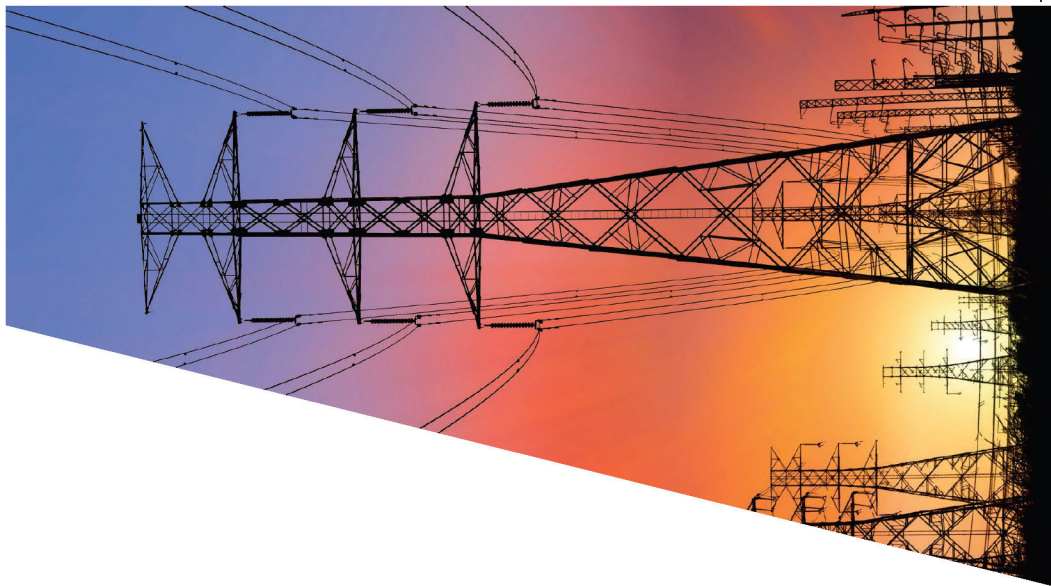
To:

Host

Enter chat message here

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2



Webinar Notice

- ▶ None of the information presented herein is legally binding.
- ▶ The content included in this presentation is intended for informational purposes only relating to the Funding Opportunity Announcement (FOA) DE-FOA-0003195.
- ▶ Any content within this presentation that appears discrepant from the FOA language is superseded by the FOA language.





Colin Meehan
Project Manager,
GRIP Program



Anne Egger
Project Manager,
Grid Resilience



Kristen Frick
Project Manager,
Grid Innovation



Isabel Sepulveda
Project Manager,
Smart Grid Grants



KC Fussell
Metrics and Analysis
Lead, GRIP Program



Agenda

1. Q&A Information
2. GRIP Program Overview
3. Updates from prior GRIP FOA
4. GRIP Priority Areas of Investment
5. BIL Funding Available
6. Application Schedule
7. Concept Papers Overview
 - Content and Form of the Concept Paper
 - Community Benefits Planning
8. GRIP Topic Areas
 - Grid Resilience Grants
 - Smart Grid Grants
 - Grid Innovation Program
9. GRIP Contacts

5



Q&A Feedback

Question submission:

- ▶ Questions regarding this FOA must be submitted to: FOA3195@netl.doe.gov.
- ▶ Questions regarding specific project/concept papers cannot be currently addressed.
- ▶ All questions and answers related to this FOA will be posted on Exchange at: <https://infrastructure-exchange.energy.gov/>.



Grid Resilience and Innovation Partnerships (GRIP) Program Overview

- ▶ These programs will be released as one funding opportunity but provide opportunities for various applications to various entities including states, tribes, utilities, and industry.
 - Topic Area 1– Grid Resilience Grants
 - Topic Area 2– Smart Grid Grants
 - Topic Area 3– Grid Innovation Program
- ▶ DOE Goals for the GRIP Program
 - 1. Transform the U.S. electric grid at the transmission and distribution levels by increasing resilience in the face of extreme disruptions, enabling data-rich and flexible grid performance, and spurring innovation at all stages of project ideation and execution;
 - 2. Prioritize energy justice as an essential component of infrastructure development by dramatically altering the relationship between energy providers and their communities; and
 - 3. Catalyze and leverage private sector and non-federal public capital for impactful technology and infrastructure deployment.
- ▶ Concept papers are a required first step in the application process and due by:
 - January 12, 2024- for all Topic Areas.



Applicant-focused updates to FOA

- ▶ **Streamlined Concept Paper process**
 - Form-based and shorter page limits to give applicants an easier process with less time commitment
- ▶ **Creating opportunities for a variety of applicants**
 - Encouraging vendor-driven or consortia applications
 - Supporting small utilities and technology vendors to apply for larger projects across multiple service territories
- ▶ **Increased Full Application guidance**
 - “Elements of a Successful Application” translates lessons learned from the first funding cycle to inform applicants of common application elements among selected projects
 - Technical criteria are simplified and re-organized to clarify the review process for applicants
 - Additional guidance identifying priority areas of investment for the GRIP 2 funding cycle
 - Consistent with the FOA, DOE may coordinate pre-selection interviews with one or more applicants, to allow applicants to provide clarification on the contents of the Full Applications and to provide DOE an opportunity to ask questions regarding the proposed project



GRIP Priority Areas of Investment (1/2)

- ▶ Projects that cover multiple utility service territories share utility best practices that increase resilience against extreme weather and adapt to the changing energy and technology landscapes.
- ▶ Projects that address substation hardening, including the automation and digitization of substations, and/or coordination with upgrades that enable distributed energy resource integration and electrification readiness.
- ▶ Projects that propose to construct new transmission infrastructure to resolve a specific and identified contingency condition that the applicant has been unable to resolve using standard investment and planning approaches.
- ▶ Projects that significantly increase the transmission capacity of existing rights-of-way using
 - advanced conductors,
 - grid-enhancing technologies, or
 - high-voltage direct current



GRIP Priority Areas of Investment (2/2)

- ▶ Projects that will deploy solutions to increasing the processing of interconnection applications and minimize the queue-related delays for clean energy and electrification loads at both the transmission and distribution levels.
- ▶ Projects that have a significant impact on the transmission system, including projects that leverage advanced transmission technologies and can reduce or remove the existing barriers, demonstrate enhanced operational flexibility or capacity, and enhance reliability.
- ▶ Projects that implement novel and replicable approaches to reducing energy burden and increasing resilience for disadvantaged communities, especially projects that increase access to cheaper generation resources and reduce the impact of infrastructure costs.
- ▶ Projects that in combination with priority investments will foster growth of a highly skilled power sector workforce and minimize workforce constraints associated with power sector innovation.

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BIL Funding available through this FOA

GRIP Program & BIL Provision:	Anticipated Number of Awards	Anticipated Minimum Award Size	Anticipated Maximum Award Size**	FOA-3195 Approximate Funding (FY24-25)	Total Funding Amount (FY22-26)
Topic Area 1: Grid Resilience Grants 40101(c)	10-20*	Small utilities: \$10 Million All others: \$50 Million	All projects: \$100 Million Exceptions: \$250 Million	\$918 Million	\$2.5 Billion
Topic Area 2: Smart Grid Grants 40107	25-40	\$10 Million	All projects: \$50 Million Exceptions: \$100 million/ \$250 million	\$1,080 Million	\$3 Billion
Topic Area 3: Grid Innovation Program 40103(b)	4-40	N/A	All projects: \$250 Million Exception: \$1 Billion	\$1,820 Million	\$5 Billion

*Approximately 30% of total funding available from this FOA will be set aside for 3-6 of the anticipated number of awards that will be made to small utilities.

**Please see Section II.A. of the FOA for further information on maximum award size exceptions.



Application Submission Timing / Schedule

FOA Released: November 14, 2023					
Topic Area 1 Grid Resilience Grants (40101(c))		Topic Area 2 Smart Grid Grants (40107)		Topic Area 3 Grid Innovation Program (40103(b))	
Concept Papers Due:	January 12, 2024	Concept Papers Due:	January 12, 2024	Concept Papers Due:	January 12, 2024
Response to Concept Papers:	February 2024	Response to Concept Papers:	February 2024	Response to Concept Papers:	February 2024
Full Applications Due:	April 17, 2024	Full Applications Due:	May 22, 2024	Full Applications Due:	April 17, 2024

- ▶ An entity may submit more than one Concept Paper and Full Application to this FOA, provided that each application describes a unique, scientifically distinct project and provided that an eligible Concept Paper was submitted for each Full Application.
- ▶ In response to applicant feedback from FOA-2740, additional time has been provided between FOA release and Concept Paper submission.



Concept Paper Overview



Concept Papers

Submission Information*

- ▶ All FOA-3195 Concept Papers will be submitted using the new GRIP Concept Paper Form posted on Exchange (<https://infrastructure-exchange.energy.gov/>)
- ▶ Regardless of Topic Area, all concept papers are evaluated using the same technical review criteria which can be found in section V.A.i of the FOA.
- ▶ Each concept paper will be assessed and receive a notification indicating DOE's encouragement or discouragement toward submitting full applications
 - All compliant Concept Papers may submit a full application, regardless of encouragement/discourage notification

Concept Paper Compliance

- ▶ A Concept Paper is deemed compliant if it:
 - Complies with the content and form requirements in Section IV.C. of the FOA;
 - Includes all required documents
 - The Concept Paper Form is successfully uploaded in Exchange by the deadline stated in the FOA. Note: all applicants are strongly encouraged to submit their Concept Papers and Full Applications at least 48 hours in advance of the submission deadline.



Content and Form of the Concept Paper

Section	Description*
Project Overview	<ul style="list-style-type: none"> • Applicant name, project location(s), project name, project partners and GRIP Topic Area • Project budget (federal funds requested & cost share)
Project Details	<ul style="list-style-type: none"> • How the project addresses the topic area's eligible uses and technical approaches. • The impact that DOE funding would have on the proposed project. • Replicability, readiness, and viability of project • Project management team and key partners
Project Impacts	<ul style="list-style-type: none"> • Grid-benefitting outcomes provided by the project • Impact of the project to reduce innovative technology risk and further deployment at-scale • How the project supports State, local, Tribal, community and regional resilience • Ability to lead to additional private sector investments
Community Benefits Plan (CBP)	<p>Descriptions of the approach to the four core CBP elements:</p> <ul style="list-style-type: none"> • Community and labor engagement leading to negotiated agreements • Investing in job quality and workforce continuity • Advancing diversity, equity, inclusion, and accessibility • Contributing to the Justice40 Initiative
Addendum A	<ul style="list-style-type: none"> • Applicants who are small utilities** applying to Topic Area 1 must submit the EIA Form 861

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*Please see Section IV.C of the FOA for further information on Concept Papers.

**Defined as entities that sell no more than 4,000,000 MWh of electricity per year.

Community Benefits Planning

Within the concept paper, applicants must describe succinctly the approach to be taken in the Community Benefits Plan, to be further detailed in the Full Application, which should include the following four elements:

- ▶ **Community and Labor Engagement**
 - Engagement with labor unions, local governments, Tribal entities, and community-based stakeholders, especially in disadvantaged communities.
- ▶ **Investing in Job Quality and Workforce Continuity**
 - Creation and retention of high quality, good-paying jobs with employer-sponsored benefits and the ability to organize and bargain collectively for all phases of work.
- ▶ **DEIA**
 - Incorporating and measuring diversity, equity, inclusion and accessibility goals in the project.
- ▶ **Justice40**
 - Demonstration of how the project will support the Justice40 initiative, that 40% of the overall benefits of certain climate and clean energy investments must flow to disadvantaged communities.

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GDO
GRID DEPLOYMENT OFFICE

GRIP Topic Areas



Topic Area 1: Grid Resilience Grants, BIL-40101(c)

Program Details:

- ▶ Supports activities that reduce the likelihood and consequence of impacts to the electric grid due to extreme weather, wildfire, or natural disasters
- ▶ Award maximum is capped at the amount the entity has spent over the last 3 years of resilience investments or \$100 million*, with two exceptions:
 - Projects that construct new transmission infrastructure, >69 kV that either completes a radial loop or solves an N-1 contingency issue: \$250 million
 - Projects that aggregate multiple utility service territories: \$250 million
- ▶ Small utility set aside: 30% of the Topic Area 1 funding will be set aside for small utilities, which are defined as entities that sell no more than 4,000,000 MWh of electricity per year
- ▶ Cost Share*: An eligible entity that receives a grant under this section shall be required to match 100% of the amount of the Federal grant
 - Exception for small utilities: Small utilities shall be required to match 1/3 of the Federal grant
 - Cost share must come from non-federal sources, unless otherwise allowed by law
- ▶ Eligible Entities Include**:
 - Electric grid operators
 - Electric storage operators
 - Electricity generators
 - Transmission owners or operators
 - Distribution providers
 - Fuel suppliers



***Please see Section III.B of the FOA for cost sharing requirements. **Please see Section III.A of the FOA for eligibility information.**

Topic Area 1: Grid Resilience Grants, BIL-40101(c)

Technical approaches of interest and priority investments*:

- ▶ **Improvement of system adaptivity**
 - Fault Location, Isolation, and Service Restoration (FLISR), and use of & smart reclosers and similar technologies
 - Substation hardening projects with automation
- ▶ **Projects that cover multiple utility service territories and will evolve and share utility best practices**
 - Vegetation management, pole, and equipment replacement for storm hardening, and undergrounding
 - Reconductoring and incorporating upgrades to the electric system
- ▶ **Approaches to construct new transmission (at or above 69 kV)**
 - Line completes a radial loop or solves an N-1 contingency issue
- ▶ **NOT eligible for funding under Topic Area 1**
 - New electric generating facility
 - A new large-scale battery-storage facility that is not used for enhancing system adaptive capacity during disruptive events
 - Cybersecurity

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*Please see Section I.B. of the FOA for further priority investment information.

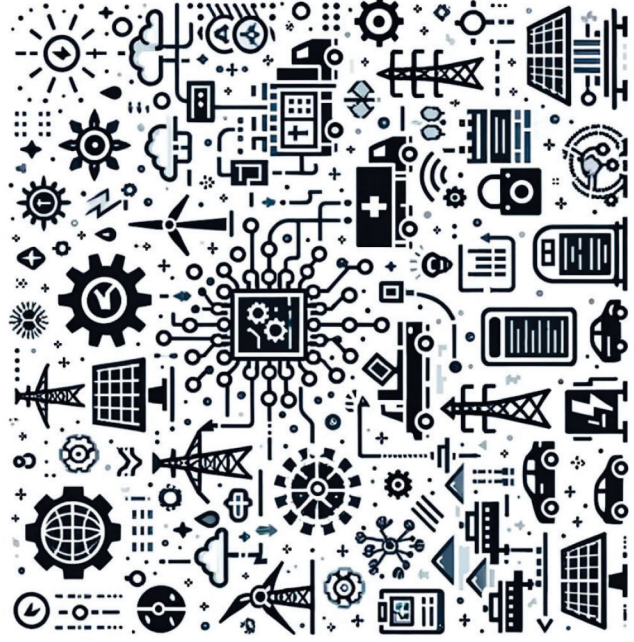
Topic Area 2: Smart Grid Grants, BIL-40107

Program Details:

- ▲ Supports activities that deploy and catalyze technology solutions that increase the flexibility, efficiency, and reliability of the electric power system, with a particular focus on advanced technologies and data-enabled system capabilities.
- ▲ Award maximum is capped at \$50 million with two exceptions:
 - Projects that aggregate multiple utility service territories: \$100 million
 - Projects that deploy advanced conductors for transmission line capacity improvement at scale: \$250 million
- ▲ Cost Share*: Must be at least 50% of the total project costs
- ▲ Eligible Entities Include**:
 - For-profit entities
 - Non-profit and not-for-profit entities
 - State and local governmental entities
 - Tribal nations
 - Institutions of higher education

*Please see Section III.B of the FOA for Cost Sharing Requirements.

**Please see Section III.A of the FOA for Eligibility Information.



Topic Area 2: Smart Grid Grants, BIL-40107

Technical approaches of interest and priority investments*:

- ▶ **Innovative project development on the transmission system**
 - Significantly increasing transfer capacity within existing rights-of-way through advanced conductors or High Voltage Direct Current (HVDC)
 - Fostering coordination between multiple grid operators
 - Grid enhancing technologies such as dynamic line rating, advanced power flow control, congestion management and network topology optimization
- ▶ **Strategic use of data for grid operations and planning; deriving actionable insights from grid data**
- ▶ **Facilitating the processing of interconnection applications to minimize queue-related delays for clean energy**
 - transmission and distribution systems
- ▶ **Substation level innovation that promotes system efficiency and agility given increasing penetration of intermittent generating resources and DERs**

*Please see Section I.B. of the FOA for further priority investment information.



Topic Area 3: Grid Innovation Program, BIL-40103(b)

Technical approaches of interest and priority investments*:

- ▶ Innovative project approaches on the transmission system, including those leveraging advanced transmission technologies and those that can reduce or remove the existing technical, economic, and/or regulatory barrier(s) necessary to accelerate wide scale transmission expansion and renewable energy interconnection.
 - Projects that deploy significant transmission investments are eligible for the increased funding of \$1 billion.
- ▶ Demonstration of reliable and resilient distribution system operations given high penetrations of distributed renewable generation, energy storage, and flexible customer loads as a percentage of total load, up to and including “full electrification” scenarios, such as:
 - Electrification of industrial, commercial and other building energy needs through district energy systems
 - Black start capable systems and controls
 - Grid services from distributed, advanced grid-forming inverter-based systems
- ▶ Behind the meter asset operations, aggregation, and coordination to provide demand response and grid services, including building systems, distributed generation, energy storage, electric vehicle fleets and others.
- ▶ Innovative storage projects that deploy renewable energy resources or varied energy storage in innovative and replicable ways to provide specific resilience benefits.

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*Please see Section I.B. of the FOA for further priority investment information.



Reminder: Q&A Feedback

Question submission:

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FOA3195@netl.doe.gov.
- ▶ Questions regarding specific project/concept papers cannot be currently addressed.
- ▶ All questions and answers related to this FOA will be posted on Exchange at: <https://infrastructure-exchange.energy.gov/>.





Contact GRIP:



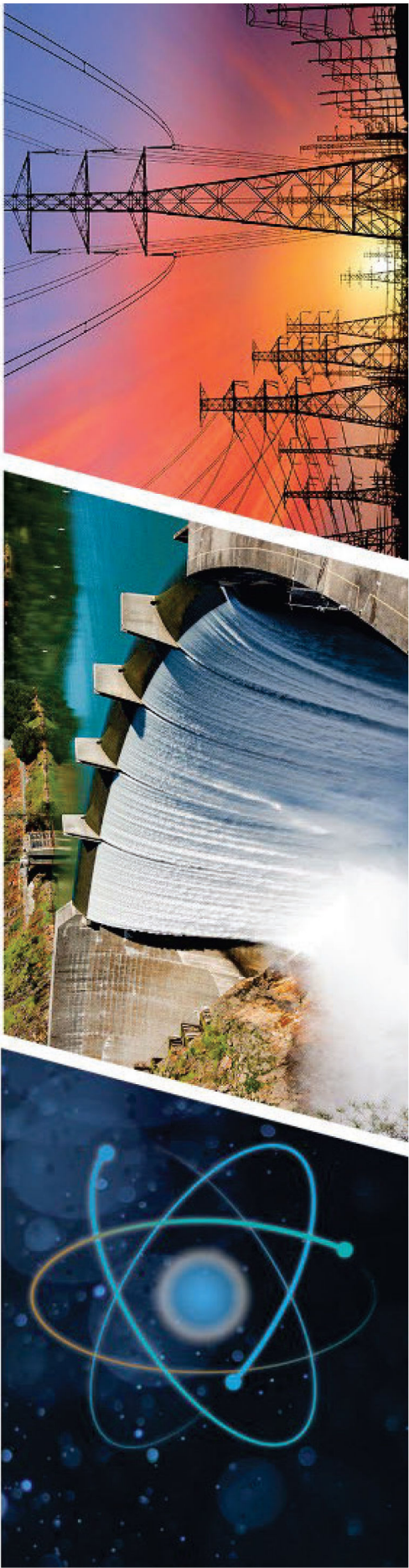
www.energy.gov/gdo/grid-resilience-and-innovation-partnerships-grip-program



GRIP@hq.doe.gov
FOA3195@netl.doe.gov



Thank you!



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

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-04**

QUESTION:

Provide a copy of each grant application for funding under the IIJA and all correspondence with the Department of Energy and/or any other party to whom such an application was submitted, granted, or denied. For each such grant application, provide a description of the investments that would be made and/or activities that would be performed with the funding from the grant, the amount requested for each such investment and/or activity, the amount approved, if any, and the timing of the funding for each grant approved.

ANSWER:

Please see the response to GCCC-RFI02-03.

SPONSOR:

Jason Ryan

RESPONSIVE DOCUMENTS:

None

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

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-05**

QUESTION:

Provide a copy of all analyses performed by the Company to assess the value of each grant opportunity and/or application to the Company and/or its customers, including all analyses addressing potential savings in future capital expenditures and operating expenses. This request extends to analyses performed in support of the grants and all other analyses both before and after receipt of the grants. If none, then so state and describe the full extent of the Company's search for responsive analyses performed by the Company, an affiliate, and/or third party.

ANSWER:

CEHE utilizes a mix of internal and external resources to monitor and pursue all known applicable IJJA Grant Opportunities that can help address the capital needs associated with the Company's infrastructure resilience requirements. The internal group dedicated to assessing DOE grant opportunities is led by Elizabeth Brock, Vice President Utility Infrastructure Planning and Policy, while external resources currently include GrantExec, Cornerstone Government Affairs and Baker Botts. After reviewing the grant requirements and limitations, CEHE has applied for the maximum amount of funding available under Grip Rounds 1 and 2, considering the scope of potential projects and the timelines of both the potential grants and potential projects along with other project specific details.

SPONSOR:

Jason Ryan

RESPONSIVE DOCUMENTS:

None

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

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-06**

QUESTION:

Provide the Company's test year expense by function (distribution and transmission), by department, and by Federal Energy Regulatory Commission (FERC) account/subaccount incurred in the IIJA grant process, if any. In addition, confirm the Company did not defer for accounting purposes the costs incurred in the grant process. If this is not correct, then provide a corrected statement and provide all support relied on for your response.

ANSWER:

The Company did not defer the costs incurred in the grant process for accounting purposes.

The Company did not separately track internal expenses for the IIJA grant process, below is the Company's test year expense for external costs by function, FERC account and subaccount.

GL Account	FERC	Total	Transmission	Distribution	Metering	TDCS
646620 - SC Non Labor Other	9302 - Misc General Exp	\$310,719	\$54,699	\$178,767	\$30,885	\$46,368

SPONSOR:

Kristie Colvin/Jason Ryan

RESPONSIVE DOCUMENTS:

None

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

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-07**

QUESTION:

Confirm that the CAMT is calculated on a CNP consolidated tax return basis and not on a separate or standalone tax return basis for the Company.

ANSWER:

Deny. CAMT is a calculation that uses the adjusted financial statement income ("AFSI") of an applicable corporation. AFSI is defined as the net income or loss reported on a taxpayer's applicable financial statement ("AFS")^[1] for a taxable year, with certain adjustments.^[2] For this purpose, an applicable corporation (i.e., member of a controlled group) is an entity under a single employer as defined by I.R.C. § 52(a) or (b) that meets the parameters of the AFSI test. The entity need not itself meet the AFSI test but only be a part of the single employer that does.^[3] The tax itself is not based on the consolidated group, instead it is based on the control group.

^[1] I.R.C. § 451(b)(3).

^[2] I.R.C. § 56A.

^[3] I.R.C. § 59(k)(1)(D).

SPONSOR:

Jennifer Story

RESPONSIVE DOCUMENTS:

None

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

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-08**

QUESTION:

Confirm that it is the intent of CNP to allocate the consolidated tax return CAMT to its affiliates. If confirmed, then describe the manner in which CNP intends to allocate the consolidated tax return CAMT to its affiliates and describe the manner in which the Company intends to allocate its allocation of the CNP consolidated tax return CAMT to function (distribution, transmission, etc.). Provide a copy of all analyses and/or other documentation developed by CNP or the Company that assesses, analyzes, or otherwise sets forth this multilevel allocation process.

ANSWER:

CNP intends to record the CAMT to the entities contributing to the CAMT using the process outlined below.

1. Confirm CNP consolidated (i.e., all members of a single employer) CAMT tax is in excess of regular tax.[1]
2. Calculate CEHE's contribution to AFSI on a stand-alone basis. CEHE's AFSI is calculated by adjusting CEHE's applicable financial statement income by adjustments to depreciation, pension costs and federal income tax to arrive at AFSI.[2]
3. Compare CEHE's CAMT stand-alone amount with CEHE's regular stand-alone tax liability. If the stand alone CAMT is in excess of the stand-alone regular tax, the CAMT is recorded to CEHE.
4. Functionalize CEHE's recorded amount to transmission and distribution based on allocation factor total revenue requirement (TOTREV) approved in this proceeding. [3]

[1] See Direct Testimony – Jennifer K. Story at Bates Stamp page 1050 and I.R.C. § 55(a).

[2] I.R.C. § 56A.

[3] See Direct Testimony – Kristie L. Colvin at Bates Stamp page 868.

SPONSOR:

Kristie Colvin/Jennifer Story

RESPONSIVE DOCUMENTS:

None

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

GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-09

QUESTION:

Confirm that the Company on a standalone separate tax return basis would not meet the \$1 billion AFSI threshold for the prior three-year period and thus would not be considered an applicable corporation subject to the CAMT. Confirm that the Company is an applicable corporation solely due to the fact that CNP exceeds the \$1 billion AFSI threshold. If denied, then provide a corrected statement and a copy of all support relied on for your response.

ANSWER:

The requested calculation required to confirm or deny that the Company on a standalone separate tax return basis would not meet the \$1B AFSI threshold for the prior three-year period has not been done (see GCCC02-11).

Deny that the Company is an applicable corporation solely due to the fact that CNP exceeds the \$1B AFSI threshold. The Company is an applicable corporation because it is the member of a controlled group that exceed \$1 billion average AFSI for the three proceeding taxable years. For this purpose, an applicable corporation (i.e., member of a controlled group) is an entity under a single employer as defined by I.R.C. § 52(a) or (b) that meets the parameters of the AFSI test. The entity need not itself meet the AFSI test but only be a part of the single employer that does.^[1] The Company's AFSI for purposes of the AFSI test is that of the single employer and not the Company's own AFSI.

[1] I.R.C. § 59(k)(1)(D).

SPONSOR:

Jennifer Story

RESPONSIVE DOCUMENTS:

None

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

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-10**

QUESTION:

Provide a calculation of the CNP consolidated AFSI for each of the prior three calendar years (2021-2023) starting with CNP's per books net income and showing each adjustment necessary to quantify AFSI for each of the years. Identify the source and provide a copy of the source for each of the dollar amounts used in the quantifications.

ANSWER:

See GCCC-RFI02-10 Attachment 1 for the requested calculations which utilize the most recent estimates based on known guidance. The calculations could change when final regulations or additional guidance is issued. Please see GCCC-RFI02-10 Attachment 2 for depreciation adjustment calculations used in the 2021 and 2022 AFSI calculations. The source of the depreciation numbers are Powertax and the Company's income tax provisions. Please see GCCC-RFI02-10 Attachment 3 for support of certain gain calculations used in the 2021 tax return.

The attachments are confidential and are being provided pursuant to the Protective Order issued in Docket No. 56211.

SPONSOR:

Jennifer Story

RESPONSIVE DOCUMENTS:

GCCCRFI02-10 Attachment 1 (confidential).xlsx
GCCCRFI02-10 Attachment 2 (confidential).xlsx
GCCCRFI02-10 Attachment 3 (confidential).xlsx

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

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-11**

QUESTION:

Provide a calculation of the Company's AFSI for each of the prior three calendar years (2021 2023) starting with the Company's per books net income and showing each adjustment necessary to quantify AFSI for each of the years. Identify the source and provide a copy of the source for each of the dollar amounts used in the quantifications.

ANSWER:

The requested calculation of the Company's AFSI has not been done and is not available.

Please see Company response to GCCC02-10 for the AFSI test.

SPONSOR:

Jennifer Story

RESPONSIVE DOCUMENTS:

None

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

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-12**

QUESTION:

Provide a history of the Company's net operating loss carryforwards and the related ADIT at December 31 for each year 2017 through 2023. Confirm that the net operating loss carry forward and the related ADIT were calculated on a standalone separate return basis for the Company and were not the result of an allocation of a CNP NOL carry forward and the related ADIT.

ANSWER:

Confirm. The Company calculates net operating loss carryforwards and the related ADIT on a standalone separate return basis and was not the result of an allocation of a CNP NOL carryforward.

From 2017 to 2020 the Company did not record an NOL carryforward. Please see the response to GCCC01-15 for a history of the NOL from 2021 through 2023.

SPONSOR:

Jennifer Story

RESPONSIVE DOCUMENTS:

None

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

GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-13

QUESTION:

Provide a schedule showing the monthly local franchise tax accounting and payment entries by month from December 2019 through the most recent month for which actual information is available starting with the beginning of month liability, expense accrual for the month, payments during the month, and end of month liability for each of those months.

ANSWER:

Please see attached file "GCCC02-13 Franchise (confidential).xlsx" for monthly local franchise tax accounting and payment entries by month from December 2019 through February 2024 starting with the beginning of month liability for December 2019 which is the end of month liability for November 2019.

Confidentiality Notice

*The requested information contains financial information which is not public and is not expected to be released to the public until the Company's first quarter 2024 earnings call currently scheduled for April 30, 2024. Trading in securities of the Company while in possession of such information before it is publicly disseminated is a violation of the federal securities laws. Disclosure of this information to others or trading in securities of other public companies prior to its public dissemination could be a violation of the federal securities laws. As such, **the below attachment is confidential and is being provided pursuant to the Protective Order issued in Docket No. 56211.** The Company will file a public version of this response after the Company's first quarter 2024 earnings call.*

SPONSOR:

Kristie Colvin

RESPONSIVE DOCUMENTS:

GCCC02-13 Franchise (confidential).xlsx

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

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-14**

QUESTION:

Refer to WP II-B-9e. The amounts on the workpaper are values. Provide the source and calculation of these amounts. To the extent these amounts are from the Company's monthly trial balances during the test year, then provide the amounts by FERC account/subaccount.

ANSWER:

Regarding WP II-B-9e, the amounts should refer to WP II-B-9e.1, WP II-B-9e.2, WP II-B-9e.3. Please see response to GCCC02-15 for an explanation and schedules with updated links.

SPONSOR:

Kristie Colvin

RESPONSIVE DOCUMENTS:

None

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

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-15**

QUESTION:

Refer to WP II-B-9e.1, WP II-B-9e.2, and WP II-B-9e.3. Provide a narrative description of the purpose of each of these workpapers, the information reflected on each workpaper, and what information is calculated on each workpaper and where it is used in other workpapers and/or schedules in the filing.

ANSWER:

Please see GCCCRFI02-15 Attachment 1.xlsx for reformatted WP II-B-9e.1, WP II-B-9e.2 and WP II-B-9e.3 with updated links. The total amounts from each of those workpapers link to WP II-B-9e and represent FICA Withholding, Federal Income Tax Withholding and Use Taxes that make up the total Working Funds and Other on line 27 of WP II-B-9, the calculation of working capital, which is presented on Schedule II-B-9. The updated links do not affect the revenue requirement.

SPONSOR:

Kristie Colvin

RESPONSIVE DOCUMENTS:

GCCC-RFI02-15 Attachment 1.xlsx

Line No.	Description	Amount	Reference
1	FICA Withholding: FICA Withholding	(212,942)	-
2	Federal Income Tax Withholding: Federal Income Tax Withholding	(382,038)	-
3	Use Taxes: Use Taxes	(6,805,547)	-
4			
5	Total	(7,400,527)	-

Line No.	Pay Date	Deposit Date	Amount	(Lead)/Lag Days	Dollar Days
1	1/6/2023	1/9/2023	873,427	(3)	(2,620,281)
2	1/9/2023	1/10/2023	15,871	(1)	(15,871)
3	1/13/2023	1/18/2023	19	(5)	(94)
4	1/20/2023	1/23/2023	930,778	(3)	(2,792,333)
5	1/23/2023	1/24/2023	2,405	(1)	(2,405)
6	1/27/2023	2/1/2023	-	(5)	-
7	2/1/2023	2/6/2023	422	(5)	(2,110)
8	2/3/2023	2/6/2023	1,119,723	(3)	(3,359,169)
9	2/6/2023	2/7/2023	730	(1)	(730)
10	2/10/2023	2/15/2023	28	(5)	(139)
11	2/17/2023	2/21/2023	1,100,120	(4)	(4,400,479)
12	2/22/2023	2/23/2023	235,252	(1)	(235,252)
13	2/24/2023	2/27/2023	146	(3)	(438)
14	3/1/2023	3/6/2023	422	(5)	(2,110)
15	3/3/2023	3/6/2023	2,882,720	(3)	(8,648,159)
16	3/6/2023	3/10/2023	4,121	(4)	(16,485)
17	3/10/2023	3/15/2023	7,316	(5)	(36,579)
18	3/17/2023	3/20/2023	988,757	(3)	(2,966,271)
19	3/20/2023	3/24/2023	58	(4)	(234)
20	3/31/2023	4/3/2023	909,746	(3)	(2,729,239)
21	4/3/2023	4/7/2023	945	(4)	(3,778)
22	4/7/2023	4/12/2023	31	(5)	(154)
23	4/11/2023	4/14/2023	4,708	(3)	(14,123)
24	4/14/2023	4/17/2023	930,926	(3)	(2,792,778)
25	4/17/2023	4/21/2023	420	(4)	(1,680)
26	4/21/2023	4/26/2023	447	(5)	(2,233)
27	4/28/2023	5/1/2023	946,586	(3)	(2,839,759)
28	5/1/2023	5/5/2023	1,571	(4)	(6,284)
29	5/12/2023	5/15/2023	963,417	(3)	(2,890,252)
30	5/15/2023	5/19/2023	914	(4)	(3,656)
31	5/19/2023	5/24/2023	130	(5)	(648)
32	5/26/2023	5/30/2023	1,009,906	(4)	(4,039,626)
33	5/30/2023	6/2/2023	344	(3)	(1,032)
34	6/1/2023	6/7/2023	422	(6)	(2,532)
35	6/9/2023	6/12/2023	926,422	(3)	(2,779,266)
36	6/12/2023	6/16/2023	474	(4)	(1,896)
37	6/16/2023	6/21/2023	1,034	(5)	(5,170)
38	6/23/2023	6/26/2023	1,051,754	(3)	(3,155,262)
39	6/26/2023	6/30/2023	294	(4)	(1,175)
40	6/30/2023	7/5/2023	743	(5)	(3,715)
41	7/7/2023	7/10/2023	1,158,347	(3)	(3,475,042)

Line No.	Pay Date	Deposit Date	Amount	(Lead)/Lag Days	Dollar Days
42	7/10/2023	7/14/2023	2,964	(4)	(11,854)
43	7/14/2023	7/19/2023	39	(5)	(197)
44	7/21/2023	7/24/2023	900,232	(3)	(2,700,696)
45	7/24/2023	7/28/2023	286	(4)	(1,144)
46	7/28/2023	8/2/2023	29	(5)	(146)
47	8/1/2023	8/4/2023	422	(3)	(1,266)
48	8/4/2023	8/7/2023	913,302	(3)	(2,739,906)
49	8/7/2023	8/11/2023	166	(3)	(499)
50	8/18/2023	8/21/2023	881,463	(3)	(2,644,390)
51	8/21/2023	8/25/2023	1,698	(4)	(6,794)
52	9/1/2023	9/5/2023	944,970	(4)	(3,779,881)
53	9/5/2023	9/8/2023	522	(3)	(1,567)
54	9/8/2023	9/13/2023	337	(5)	(1,683)
55	9/15/2023	9/18/2023	948,821	(3)	(2,846,463)
56	9/18/2023	9/22/2023	1,249	(4)	(4,998)
57	9/29/2023	10/2/2023	880,458	(3)	(2,641,373)
58	10/2/2023	10/6/2023	1,281	(4)	(5,125)
59	10/6/2023	10/11/2023	33	(5)	(164)
60	10/10/2023	10/11/2023	1,564	(1)	(1,564)
61	10/13/2023	10/16/2023	837,690	(3)	(2,513,069)
62	10/16/2023	10/20/2023	1,205	(4)	(4,820)
63	10/20/2023	10/25/2023	147	(5)	(734)
64	10/27/2023	10/30/2023	806,552	(3)	(2,419,655)
65	10/30/2023	11/1/2023	1,199	(2)	(2,398)
66	11/1/2023	11/2/2023	422	(1)	(422)
67	11/9/2023	11/13/2023	831,168	(4)	(3,324,671)
68	11/13/2023	11/17/2023	479	(4)	(1,914)
69	11/17/2023	11/22/2023	585	(5)	(2,927)
70	11/22/2023	11/22/2023	1,256,015	-	-
71	11/27/2023	12/1/2023	4,002	(4)	(16,007)
72	11/29/2023	12/4/2023	45	(5)	(226)
73	12/1/2023	12/6/2023	868	(5)	(4,339)
74	12/8/2023	12/11/2023	728,418	(3)	(2,185,254)
75	12/11/2023	12/15/2023	774	(4)	(3,097)
76	12/15/2023	12/20/2023	590	(5)	(2,951)
77	12/21/2023	12/21/2023	737,123	-	-
78	12/26/2023	12/29/2023	340	(3)	(1,020)
79	12/29/2023	1/3/2024	422	(5)	(2,109)
80	Total		26,759,776	(3)	(77,723,764)

Line No.	Pay Date	Deposit Date	Amount	(Lead)/Lag Days	Dollar Days
81	Average Daily Amount				73,314
82	Total Working Capital				(212,942)

Line No.	Pay Date	Deposit Date	Amount	(Lead)/Lag Days	Dollar Days
1	1/6/2023	1/9/2023	1,409,686	(3)	(4,229,058)
2	1/9/2023	1/10/2023	86,806	(1)	(86,806)
3	1/13/2023	1/18/2023	(5)	(5)	24
4	1/20/2023	1/23/2023	1,479,564	(3)	(4,438,693)
5	1/23/2023	1/24/2023	139,414	(1)	(139,414)
6	1/27/2023	2/1/2023	174	(5)	(870)
7	2/1/2023	2/6/2023	30,365	(5)	(151,824)
8	2/3/2023	2/6/2023	1,894,795	(3)	(5,684,384)
9	2/6/2023	2/7/2023	116,374	(1)	(116,374)
10	2/10/2023	2/15/2023	-	(5)	-
11	2/17/2023	2/21/2023	1,871,620	(4)	(7,486,479)
12	2/22/2023	2/23/2023	1,166,759	(1)	(1,166,759)
13	2/24/2023	2/27/2023	96	(3)	(289)
14	3/1/2023	3/6/2023	7,714	(5)	(38,570)
15	3/3/2023	3/6/2023	6,701,322	(3)	(20,103,967)
16	3/6/2023	3/10/2023	49,217	(4)	(196,869)
17	3/10/2023	3/15/2023	19,578	(5)	(97,890)
18	3/17/2023	3/20/2023	1,646,017	(3)	(4,938,050)
19	3/20/2023	3/24/2023	23	(4)	(92)
20	3/31/2023	4/3/2023	1,472,956	(3)	(4,418,868)
21	4/3/2023	4/7/2023	-	(4)	-
22	4/7/2023	4/12/2023	-	(5)	-
23	4/11/2023	4/14/2023	13,539	(3)	(40,616)
24	4/14/2023	4/17/2023	1,498,869	(3)	(4,496,607)
25	4/17/2023	4/21/2023	399	(4)	(1,597)
26	4/21/2023	4/26/2023	769	(5)	(3,843)
27	4/28/2023	5/1/2023	1,558,175	(3)	(4,674,526)
28	5/1/2023	5/5/2023	16,798	(4)	(67,191)
29	5/12/2023	5/15/2023	1,572,388	(3)	(4,717,165)
30	5/15/2023	5/19/2023	16	(4)	(63)
31	5/19/2023	5/24/2023	35	(5)	(177)
32	5/26/2023	5/30/2023	1,667,807	(4)	(6,671,229)
33	5/30/2023	6/2/2023	177	(3)	(532)
34	6/1/2023	6/7/2023	9,990	(6)	(59,938)
35	6/9/2023	6/12/2023	1,492,232	(3)	(4,476,697)
36	6/12/2023	6/16/2023	133	(4)	(531)
37	6/16/2023	6/21/2023	4,276	(5)	(21,380)
38	6/23/2023	6/26/2023	1,712,800	(3)	(5,138,401)
39	6/26/2023	6/30/2023	40,499	(4)	(161,995)
40	6/30/2023	7/5/2023	13,022	(5)	(65,108)
41	7/7/2023	7/10/2023	1,890,490	(3)	(5,671,471)

Line No.	Pay Date	Deposit Date	Amount	(Lead)/Lag Days	Dollar Days
42	7/10/2023	7/14/2023	9,186	(4)	(36,745)
43	7/14/2023	7/19/2023	-	(5)	-
44	7/21/2023	7/24/2023	1,447,613	(3)	(4,342,839)
45	7/24/2023	7/28/2023	63	(4)	(251)
46	7/28/2023	8/2/2023	-	(5)	-
47	8/1/2023	8/4/2023	30,283	(3)	(90,849)
48	8/4/2023	8/7/2023	1,515,400	(3)	(4,546,201)
49	8/7/2023	8/11/2023	46	(3)	(138)
50	8/18/2023	8/21/2023	1,461,477	(3)	(4,384,430)
51	8/21/2023	8/25/2023	15,900	(4)	(63,600)
52	9/1/2023	9/5/2023	1,676,919	(4)	(6,707,677)
53	9/5/2023	9/8/2023	143	(3)	(430)
54	9/8/2023	9/13/2023	199	(5)	(994)
55	9/15/2023	9/18/2023	1,707,482	(3)	(5,122,445)
56	9/18/2023	9/22/2023	3,863	(4)	(15,454)
57	9/29/2023	10/2/2023	1,677,173	(3)	(5,031,519)
58	10/2/2023	10/6/2023	2,783	(4)	(11,130)
59	10/6/2023	10/11/2023	-	(5)	-
60	10/10/2023	10/11/2023	14,674	(1)	(14,674)
61	10/13/2023	10/16/2023	1,549,206	(3)	(4,647,617)
62	10/16/2023	10/20/2023	2,578	(4)	(10,310)
63	10/20/2023	10/25/2023	422	(5)	(2,110)
64	10/27/2023	10/30/2023	1,397,644	(3)	(4,192,932)
65	10/30/2023	11/1/2023	887	(2)	(1,774)
66	11/1/2023	11/2/2023	6,322	(1)	(6,322)
67	11/9/2023	11/13/2023	1,484,086	(4)	(5,936,343)
68	11/13/2023	11/17/2023	171	(4)	(683)
69	11/17/2023	11/22/2023	1,238	(5)	(6,191)
70	11/22/2023	11/22/2023	2,482,251	-	-
71	11/27/2023	12/1/2023	9,197	(4)	(36,789)
72	11/29/2023	12/4/2023	-	(5)	-
73	12/1/2023	12/6/2023	19,827	(5)	(99,135)
74	12/8/2023	12/11/2023	1,510,604	(3)	(4,531,811)
75	12/11/2023	12/15/2023	282	(4)	(1,129)
76	12/15/2023	12/20/2023	692	(5)	(3,459)
77	12/21/2023	12/21/2023	1,691,095	-	-
78	12/26/2023	12/29/2023	683	(3)	(2,049)
79	12/29/2023	1/3/2024	6,322	(5)	(31,610)
80	Total		49,311,599	(3)	(139,443,941)

Line No.	Pay Date	Deposit Date	Amount	(Lead)/Lag Days	Dollar Days
81	Average Daily Amount			135,100	
82	Total Working Capital			(382,038)	

Line No.	From	To	From #	To #	Amount	Total Days	Midpoint	Payment Date	Pay Date #	(Lead)/Lag Days	Dollar Days	
1	1/1/2023	1/31/2023	1.00	31.00	5,933,155	31.00	(15.50)	2/17/2023	48.00	(32.50)	(192,827,545)	-
2	2/1/2023	2/28/2023	32.00	59.00	7,176,446	28.00	(14.00)	3/17/2023	76.00	(31.00)	(222,469,824)	-
3	3/1/2023	3/31/2023	60.00	90.00	8,878,878	31.00	(15.50)	4/19/2023	109.00	(34.50)	(306,321,290)	-
4	4/1/2023	4/30/2023	91.00	120.00	5,582,515	30.00	(15.00)	5/19/2023	139.00	(34.00)	(189,805,504)	-
5	5/1/2023	5/31/2023	121.00	151.00	7,785,152	31.00	(15.50)	6/19/2023	170.00	(34.50)	(268,587,752)	-
6	6/1/2023	6/30/2023	152.00	181.00	6,785,222	30.00	(15.00)	7/19/2023	200.00	(34.00)	(230,697,552)	-
7	7/1/2023	7/31/2023	182.00	212.00	5,933,586	31.00	(15.50)	8/18/2023	230.00	(33.50)	(198,775,144)	-
8	8/1/2023	8/31/2023	213.00	243.00	6,084,155	31.00	(15.50)	9/19/2023	262.00	(34.50)	(209,903,339)	-
9	9/1/2023	9/30/2023	244.00	273.00	5,274,443	30.00	(15.00)	10/19/2023	292.00	(34.00)	(179,331,057)	-
10	10/1/2023	10/31/2023	274.00	304.00	5,031,856	31.00	(15.50)	11/17/2023	321.00	(32.50)	(163,535,320)	-
11	11/1/2023	11/30/2023	305.00	334.00	4,910,424	30.00	(15.00)	12/19/2023	353.00	(34.00)	(166,954,425)	-
12	12/1/2023	12/31/2023	335.00	365.00	4,487,416	31.00	(15.50)	1/19/2024	384.00	(34.50)	(154,815,869)	-
13	Total				73,863,249						(2,484,024,622)	-

Line No.	From	To	Composite (Lead)/Lag Days	Average Daily Amount	Working Capital
1	1/1/2023	1/31/2023	-	-	-
2	2/1/2023	2/28/2023	-	-	-
3	3/1/2023	3/31/2023	-	-	-
4	4/1/2023	4/30/2023	-	-	-
5	5/1/2023	5/31/2023	-	-	-
6	6/1/2023	6/30/2023	-	-	-
7	7/1/2023	7/31/2023	-	-	-
8	8/1/2023	8/31/2023	-	-	-
9	9/1/2023	9/30/2023	-	-	-
10	10/1/2023	10/31/2023	-	-	-
11	11/1/2023	11/30/2023	-	-	-
12	12/1/2023	12/31/2023	-	-	-
13	Total		(34)	202,365	(6,805,547)

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

GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-16

QUESTION:

Refer WP II-B-10.

- a. Refer to Adj #3 to reduce account 259041 by \$53.031 million and increase account 165 by the same amount. Confirm that account 165 is included in rate base and that this adjustment increases rate base.
- b. Provide a description of account 259041. Confirm that account 259041 is not included in the FERC USOA.
- c. Confirm that the amount in account 259041 is not subtracted from rate base. If this is not correct, then provide a corrected statement and indicate where it is subtracted from rate base.
- d. Provide the account/subaccount and a detailed description of the offsetting debits in the accounting entries to increase and the offsetting credits in the accounting entries to reduce the liability in account 259041.

ANSWER:

- a. The Company confirms that account 165 is included in rate base and the \$53.031 million adjustment increases rate base.
- b. Account 259041 is not an account included the FERC USOA, it is a General Ledger account used to record the amounts related to The Company Retirement Plan in accordance with ASC 715.
- c. The amount reflected on WP II-B-10 is the Company's Prepaid Pension Asset found as the net of cumulative contributions and cumulative pension expense. The Company confirms that this amount is not subtracted from rate base.
- d. The Company's Prepaid Pension Asset is not recorded on the Company's books, but is recorded on the books of CenterPoint Energy, Inc.

SPONSOR:

Kristie Colvin

RESPONSIVE DOCUMENTS:

None

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

GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-17

QUESTION:

Refer to the prepayment of Other Taxes shown on Schedule II-B-10.

- a. Describe each prepayment included in the amounts shown on this schedule and explain why the prepayment should be included in rate base.
- b. Describe the accounting for the prepayments and/or liability recorded by the Company for each other tax, including, but not limited to, ad valorem tax, Texas margin tax, local franchise tax, payroll tax, and each other tax. Provide the accounts used in each journal entry (debits and credits) when the prepayments and/or liabilities are recorded.

ANSWER:

- a. Franchise Taxes are the only prepayments included in Other Taxes shown on Schedule II-B-10. Per the RFP General Instructions, prepayments are included in rate base using a 13-month average balance for the test year.
- b. The prepayment entries are for Franchise Taxes that are due on or before the 1st of each month. When the 1st of the month falls on a Saturday or Sunday or Monday (if a holiday), the franchise taxes are moved to a prepayment account because the payment is made in the month prior to when it is due. There are multiple entries within the Company's Accounts Payable sub-ledger to establish this prepayment which ultimately results in a debit to General Ledger Account 143030 Prepay-Other Taxes and a credit to Cash, General Ledger Account 102010 Chase Texas. The prepayment is then reversed in the following month.

SPONSOR:

Kristie Colvin

RESPONSIVE DOCUMENTS:

None

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

GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-18

QUESTION:

Identify all pension related assets and liabilities reflected in the Company's general ledger and trial balance.

- a. Provide a description of each account/subaccount and the source of the amounts recorded in each such account/subaccount.
- b. Identify and provide the amount of each pension related asset and liability included in or subtracted from rate base.
- c. Provide a reconciliation of each pension related asset and liability identified in response to part (a) of this question to the amount of each such asset and liability included in or subtracted from rate base identified in response to part (b) of this question and explain why the difference was included in or subtracted from rate base.
- d. Provide the ADIT related to each pension related asset and liability reflected in the Company's general ledger and trial balance identified in response to part (a) of this question.
- e. Identify and provide the amount of ADIT related to each pension related asset and liability included in or subtracted from rate base.
- f. Provide a reconciliation of ADIT related to each pension related asset and liability identified in response to part (d) of this question included in or subtracted from rate base identified in response to part (e) of this question and explain why the difference was included in or subtracted from rate base.

ANSWER:

- a. Please see below table for a description of each account/subaccount and the source of the amounts recorded in each such account/subaccount.
- b. Refer to the below table for the amounts of each pension related asset and liability included in or subtracted from rate base.
- c. There are not any differences to reconcile between parts (a) and (b).
- d. Please see GCCC02-18 Attachment 1.xlsx for the ADIT related to each pension related asset and liability.
- e. Please see GCCC02-18 Attachment 1.xlsx for the amount of ADIT related to each pension related asset and liability included in or subtracted from rate base.
- f. There are not any differences to reconcile between parts (d) and (e).

Pension related assets and Liabilities	GL Account	GL Account Description	Amounts	Rate Base
PURA deferral Pension liability	257032	Reg Liability Pension Deferral	\$(70,062,252)	Included in Rate Base
Prepaid Pension Assets	259041	Retire Plan-ASC 715	\$53,030,653	Included in Rate Base

SPONSOR:

Kristie Colvin/Jennifer Story

RESPONSIVE DOCUMENTS:

GCCC02-18 Attachment 1.xlsx

GL/Source	Description	12/31/2023		Part d		Part e		Part f	
		GL Balance		Book ADIT	Tcode	Rate Base	Rate Base Amount	Difference	Note
257032	Reg Liability Pension Deferral	(70,062,252)		14,713,073	T10A05	Yes	14,713,073	-	[1]
259041	Prepaid Pension Assets	53,030,653		(11,136,437)		Yes	(11,136,437)	-	[1]
		(17,031,599)		3,576,636			3,576,636	-	

Explanation of Difference

[1] Included to match rate base treatment of underlying accounts

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

**GULF COAST COALITION OF CITIES
REQUEST NO.: GCCC02-19**

QUESTION:

Refer to the Direct Testimony of Jennifer K. Story at pages 49-51 regarding the Texas margin tax. Also refer to the Company's calculation on WP II-E-2b of the Texas margin tax for 2023 based on the year ended December 31, 2022 results.

- a. Provide a copy of the CNP consolidated tax return filing for 2023 based on the year ended December 31, 2022 results. Also provide a copy of the amended return for that year, if any, as referenced in the notation at the bottom of WP II-E-2b.
- b. Provide a breakdown of the consolidated CNP revenues, cost of goods sold, and all other items by entity in the referenced Texas margin tax determination applicable to the year ended December 31, 2022 results. Provide for both the original return and any amended returns, if applicable.
- c. Provide the amount of Texas margin tax that was paid by or on behalf of the Company in 2021, 2022, and 2023.
- d. Provide the amounts of Texas margin tax expense, by FERC account and in total, that were recorded on the books of CEHE in 2021, 2022, and 2023.
- e. Since CEHE was not able to utilize the 70% margin benefit because it was part of the CNP consolidated group that utilized a cost of goods sold margin determination, explain whether there is any sharing of the Texas margin tax between affiliates since some affiliates such as CEHE that have no cost of goods sold and are harmed due to being part of the consolidated group of affiliates.

ANSWER:

- a. Please see GCCC02-19 Attachment a Original (Confidential) and GCCC02-19 Attachment a Amended (Confidential) for the requested information.
- b. Please see GCCC02-19 Attachment b Original (Confidential) and GCCC02-19 Attachment b Amended (Confidential) for the requested information.
- c. Please see GCCC02-19 Attachment c for the requested information.
- d. Please see GCCC02-19 Attachment d for the requested information.
- e. CenterPoint Houston records income taxes, including Texas margin tax, utilizing the stand-alone approach and there is no sharing of costs or benefits among affiliates. Recording Texas margin tax using this method is supported by Commission precedent. See Docket No. 38339 findings of fact 161-165.

Some of the attachments are confidential and are being provided pursuant to the Protective Order issued in Docket No. 56211.

SPONSOR:

Jennifer Story

RESPONSIVE DOCUMENTS:

GCCC02-19 Attachment a Original (Confidential).xlsx

GCCC02-19 Attachment a Amended (Confidential).xlsx
GCCC02-19 Attachment b Original (Confidential).xlsx
GCCC02-19 Attachment b Amended (Confidential).xlsx
GCCC02-19 Attachment c.xlsx
GCCC02-19 Attachment d.xlsx

CenterPoint Energy Houston Electric
Texas Margin Tax Payments
2021-2023

	2021	2022	*2023
Payments	20,600,511	19,403,680	25,369,853

*While preparing the response to this RFI, the Company determined that the payment allocation was not initially recorded. Please see the 2023 information above for an allocation of the payment, consistent with all prior years. This allocation will be recorded in the company's financial statements in April, 2024.