

EXPENDITURES INCLUDING STORM RESERVE		
\$36,036,791	2,667,346	\$13.51

(v) *The vegetation management budget from the utility's last base-rate case.*

The Company's last base-rate case was filed in 2019 in Docket No. 49421 based on a 2018-ended test year. A settlement agreement was filed in that case on January 23, 2020, and a final order approving the settlement was issued on March 9, 2020. There were no specific findings regarding vegetation management in either the settlement or the final order.



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PROJECT NO. 41381

**REPORT FOR VEGETATION § PUBLIC UTILITY COMMISSION
MANAGEMENT PLAN PURSUANT TO §
16 TEX. ADMIN. CODE § 25.96 § OF TEXAS**

**VEGETATION MANAGEMENT REPORT
OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PURSUANT TO 16 TEX. ADMIN. CODE § 25.96**

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Table of Contents

	Page
Pleading.....	2
Attachment A - Report.....	3
16 Tex. Admin. Code § 25.96(d).....	4
16 Tex. Admin. Code § 25.96(e)(1).....	5
16 Tex. Admin. Code § 25.96(e)(2).....	7
16 Tex. Admin. Code § 25.96(e)(3).....	7
16 Tex. Admin. Code § 25.96(e)(4).....	7
16 Tex. Admin. Code § 25.96(e)(5).....	8
16 Tex. Admin. Code § 25.96(e)(6).....	8
16 Tex. Admin. Code § 25.96(e)(7).....	8
16 Tex. Admin. Code § 25.96(f)(1).....	11
16 Tex. Admin. Code § 25.96(f)(2).....	14

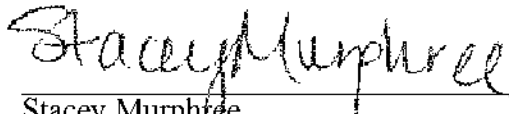
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16 TEX. ADMIN. CODE § 25.96 § OF TEXAS**

**VEGETATION MANAGEMENT REPORT
OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
PURSUANT TO 16 TEX. ADMIN. CODE § 25.96**

Pursuant to 16 Tex. Admin. Code § 25.96, CenterPoint Energy Houston Electric, LLC submits the attached summary of its vegetation management plan to the Public Utility Commission of Texas.

Respectfully submitted,



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ATTACHMENT A

Vegetation Management Report

Submitted April 28, 2023

**VEGETATION MANAGEMENT REPORT
OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
FOR 2022**

Introduction

16 Tex. Admin. Code § 25.96 (“TAC”) requires each utility to file with the Public Utility Commission of Texas (“the Commission”) by May 1st of each year a summary of its Vegetation Management Plan (“Plan”) for the current calendar year and its progress in implementing its Plan for the preceding calendar year. CenterPoint Energy Houston Electric, LLC (“CenterPoint Houston” or “the Company”) submits the following summary of its vegetation management plan pursuant to the Commission’s rules.

1. 16 Tex. Admin. Code § 25.96(d)

16 TAC § 25.96(d) requires each utility to provide an explanation in the utility’s annual report of deviations from several mandatory provisions in national standards. The following information is provided in compliance with the Commission’s rule.

A. 16 Tex. Admin. Code § 25.96(d)(1)

ANSI Standard Z133.1, Arboricultural Operations – Pruning, or successor standard.

CenterPoint Houston’s vegetation management contracts require its vendors to follow the American National Standards Institute (“ANSI”) Standard Z133.1. Therefore, CenterPoint Houston does not have deviations from the provisions of ANSI Standard Z133.1.

B. 16 Tex. Admin. Code § 25.96(d)(2)

ANSI Standard A300 (Part 1), Tree Shrub, and Other Woody Plant Management Standard Practices (Pruning); (Part 7), Integrated Vegetation Management a. Utility Rights-of Way practices; and (Part 9), Tree Risk Assessment a. Tree Structure Assessment, or successor standards.

CenterPoint Houston’s vegetation management contracts require its vendors to follow ANSI Standard A300 (Parts 1 & 9) where applicable. CenterPoint Houston’s vegetation

management policies for distribution facilities do not conform to all provisions of Part 7 of ANSI A300. Due to the numerous site alternatives in urban, suburban, or rural settings with limited utility control of long-term actions of the various stakeholders and utility rights unique for each site, full implementation is not practical when compared to the costs involved. However, various methods for specific situations are utilized as appropriate to achieve limited strategic objectives.

C. 16 Tex. Admin. Code § 25.96(d)(3)

National Electrical Safety Code Section 218, or successor standard.

CenterPoint Houston does not have known deviations from the provisions of Section 218 of the National Electrical Safety Code (“NESC”).

II. 16 Tex. Admin. Code § 25.96(e)

16 TAC § 25.96 requires each utility to maintain a Plan that “describes the utility’s objectives, practices, procedures, and work specifications for its distribution assets.” The following information is provided in compliance with the Commission’s rule.

A. 16 Tex. Admin. Code § 25.96(e)(1)

Tree pruning methodology, trimming clearances, and scheduling approach.

- Methodology

CenterPoint Houston’s proactive vegetation management program for the distribution system prioritizes circuits for trimming based on each circuit’s trim cycle and the reliability of each circuit. All circuits that initially meet the recommended trim cycle criteria are then ranked and prioritized based on reliability performance.

The recommended trim cycle for all circuits is dependent upon multiple factors, such as: last trim date, vegetation caused outages, potential impact on critical loads, and overall customer count impacted. Additionally, laterals along with the feeder-main are trimmed on circuits identified for trimming.

In 2022, the distribution vegetation management program plan remained as four regions for the following reasons: to better distribute the work among the vegetation contractors; to provide an opportunity for the contractors to bid for proactive work based on vegetation in each service

center territory; and to for the most efficient deployment and use of resources. The contractors that were awarded a specific region were responsible for both the reactive and proactive tree trim maintenance, the proactive hazard tree work, and any other tree maintenance associated with capital improvements in that region, providing for more overall efficiencies.

Approximately 95% of the proactive distribution vegetation management program work is on a unit price basis, with the remainder of the costs on a time and equipment basis. Fixed price work is primarily allocated to circuits with extensive feeder and lateral networks that are in outlying areas of the system or that are otherwise conducive to fixed price bids. Time and equipment work is allocated strategically for smaller circuits and circuits with narrow easements, as well as circuits that require quicker action than a bid process will allow or other situations not conducive to fixed price bids.

The distribution vegetation management program work plan is administered by the Asset Planning and Optimization Department and executed by the Vegetation Management and Grid Inspection Departments. For 2022, four professional Line Clearance vendors performed utility tree trimming services for CenterPoint Houston.

- Clearances

CenterPoint Houston trims trees for a minimum lateral clearance of seven feet from 12 kV and ten feet from 35kV primary conductors and equipment. This clearance pattern is followed vertically to achieve overhead clearance space above the conductors to a distance at least twice the height of the pole if work is performed manually or as high as a lift truck or mechanized clearance equipment can reach. Trees beneath the primary conductors are trimmed a minimum clearance of 15 feet below the lines.

In addition, a radius of three feet is cleared for twisted-wire secondary and neutral wires or five feet for open-wire secondary. This is often achieved with the clearance attained for the primary conductors. Vines are either cut and the stump treated or basal treated with herbicides on poles and down guys. Trees may be cleared from guy wires as necessary to maintain structural integrity of the facilities.

- Scheduling

The Asset Planning and Optimization Department for CenterPoint Houston identifies circuits eligible for proactive work plan each calendar year and prioritizes these circuits based on

several factors that may include last trim date, vegetation caused outages, potential impact on critical loads, and overall customer count impacted. Circuits identified as eligible for the proactive work plan are then scheduled to be performed on a quarterly basis.

B. 16 Tex. Admin. Code § 25.96(e)(2)

Methods used to mitigate threats posed by vegetation to applicable distribution assets.

Mid-Cycle or reactive tree trim maintenance is performed by CenterPoint Houston to address vegetation issues that require immediate attention. This work is performed in response to specific requests from customers or CenterPoint Houston personnel located at the Service Centers. Customer requests received by CenterPoint Houston personnel are inspected to ensure validity. If valid, the trees are trimmed or removed to clearance specifications. Vendors also receive Distribution Maintenance Request (DMR) work orders identified by the Area Service Centers and conduct work per standard line clearance specifications or specific instructions on the work request. Most reactive work is performed on a unit-priced basis.

C. 16 Tex. Admin. Code § 25.96(e)(3)

Tree risk management program.

In addition to those hazard trees identified and removed as part of scheduled and unscheduled circuit maintenance, CenterPoint Houston utilizes a proactive hazard tree removal program that involves Level 1 tree risk assessments as defined in Part 9 of ANSI Standard A300. In high-risk areas, hazard trees outside of the utility easement are proactively located and removed with the consent of the landowner. The purpose of this initiative is to reduce the risk of falling trees impacting electrical facilities as well as to minimize impacts in an extreme storm event. CenterPoint Houston performs a patrol of the feeder-mains for those circuits known for higher tree mortality or otherwise identified as high-risk areas. Frequency of inspections may vary based on various conditions observed.

D. 16 Tex. Admin. Code § 25.96(e)(4)

Participation in continuing education by the utility's internal vegetation management personnel.

Most of CenterPoint Houston's utility distribution vegetation management program personnel are degreed foresters or otherwise degreed with extensive experience within the utility vegetation management industry. Company foresters are encouraged to maintain Texas Department of Agriculture Non-Commercial Pesticide Applicator licenses that require ongoing annual continuing education units. Several of the foresters independently maintain International Society of Arboriculture Certified Arborist status. The Company does not require this status due to the formal educational requirements for the positions; however, of those foresters that maintain their certifications (currently 80%) are supported in acquiring necessary continuing education units related to the work. The foresters also attend various industry related professional conferences, seminars, and training as available and beneficial to support educational development associated with vegetation management.

E. 16 Tex. Admin. Code § 25.96(e)(5)

Estimate of the miles of circuits along which vegetation is to be trimmed or method for planning trimming work for the coming year.

CenterPoint Houston estimates that a minimum of 3,500 miles of distribution circuits is identified as planned for trimming each year. The circuits identified as planned for trimming are prioritized based multiple factors, such as: last trim date, vegetation caused outages, potential impact on critical loads, and overall customer count impacted.

F. 16 Tex. Admin. Code § 25.96(e)(6)

Plan to remediate vegetation-caused issues on feeders which are on the worst vegetation-caused performing feeder list for the preceding calendar year's System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI).

CenterPoint Houston currently ranks circuits per SAIDI and SAIFI. Since 2019, we also now using predictive analytics in our model that includes vegetation caused outages to better prioritize our work plan. Pursuant to 16 TAC § 25.52, the Company tracks feeders for the 10% worst performing circuits based on SAIDI and SAIFI criteria, which includes forced interruptions.

G. 16 Tex. Admin. Code § 25.96(e)(7)

Customer education, notification, and outreach practices related to vegetation management.

CenterPoint Houston utilizes customer notifications, social media platforms, and various public awareness campaign strategies to provide customer education and notifications related to vegetation management. CenterPoint Houston intends to continue these efforts and where possible expand or improve its customer education programs.

- Customer Notifications of Work to be Performed

CenterPoint Houston vendors are required to distribute customer notification door cards at residences and businesses at least seven days prior to commencing planned tree pruning activities. CenterPoint Houston's door hanger notification is available to the Commission Staff upon request. It includes the vendor's contact information to allow the customer to set an appointment to provide access, discuss planned work activities and concerns, and arrange to be present while work is being done should the customer prefer. CenterPoint Houston also provides a *Tree Trimming Practices* brochure with the work notification door card. The brochure is available to the Commission Staff upon request. It explains general practices and responses to frequently asked questions. These two items are the primary method of pre-work notification.

The brochure has been a successful tool for answering customers questions and providing the public with an educational visual aid. In addition, CenterPoint Houston provides a *Palm Trees and Power Lines* brochure selectively to those customers with palm trees on their property. The *Palm Trees* brochure explains issues unique to palms and power lines. These brochures and the door card provide significant information to the customer, while also pointing them to additional information that can be found on the CenterPointEnergy.com/trees website. CenterPoint Houston believes that these documents and associated web address aide in setting customer expectations, minimize misconceptions, and prompt customer engagement discussions to be able to answer customer concerns before the work is performed in their area or neighborhood.

- Non-Print Media Used in Public Education Campaign

CenterPoint Houston utilizes a landing page on its Internet website dedicated to vegetation management, which may be found at CenterPointEnergy.com/trees. This section of the main CenterPoint Houston website provides information on tree planting guides, how to plant and trim

trees safely, power line friendly trees, Right Tree Right Place information, energy saving tips, vegetation management practices, frequently asked questions, the *Tree Trimming Practices* and *Palm Trees and Power Lines* brochures, and information on tree trimming vendors. Examples of information available from these sites include: Power Line Clearance Standards; Recommended List of Low Growing Trees; and, What My Pruned Trees Will Look Like. Each public education tool warns the public to use extreme caution when pruning trees located near power lines and guidance on planting the right tree in the right place, which is away from power lines.

- Other Media Events

CenterPoint Houston also partners with a number of parks, community groups, and other organizations around the Greater Houston area for tree planting events, that replace potentially hazardous trees near power lines with low-growing, power line-friendly trees. The events also increase involvement and awareness from local parks and recreation departments, government officials and stakeholder organizations, as well as interested citizens in the communities. The resulting media coverage, community relationships, dissemination of collateral material, and permanent park signage is designed to reinforce the Right Tree Right Place message long after the completion of the specific event.

CenterPoint Houston has partnered with Trees for Houston to establish a Right Tree Right Place nursery on Company property as a source of low-growing power line compatible tree species for various events. The partnerships objectives are to: further enhance key customer relationships, provide successful growing stock as examples of power line “friendly” trees, and enhance employee- community engagement.

CenterPoint Houston’s Speakers Bureau employee volunteers are available to make presentations to area civic associations about proper vegetation management, vegetation placement and to provide supporting educational materials. Employees who work directly with vegetation management and electric operations also make similar presentations at meetings for municipal officials, homeowner’s associations, landscape architects, builders, or other community groups, upon request.

III. 16 Tex. Admin. Code § 25.96(f)(1)

16 TAC § 25.96 requires each utility to file a Vegetation Management Plan Report that summarizes its Plan and provide its progress in implementing the Plan. The following information is provided in compliance with the Commission's rule.

A. 16 Tex. Admin. Code § 25.96(f)(1)(A)

Vegetation maintenance goals and the method the utility employs to measure its progress.

CenterPoint Houston's vegetation maintenance goal is to work an estimated minimum of 3,500 miles of targeted distribution circuits annually to proactively maintain proper vegetation clearance on the distribution system. The Company measures its progress quarterly by monitoring the completed miles worked in accordance with the distribution vegetation management program work plan within a given calendar year to ensure it executing on its plan and staying within the defined range of planned circuit miles.

B. 16 Tex. Admin. Code § 25.96(f)(1)(B)

Trimming clearances and scheduling approach.

- Clearances

CenterPoint Houston trims trees for a minimum lateral clearance of seven feet from 12 kV and ten feet from 35kV primary conductors and equipment. This clearance pattern is followed vertically to achieve overhead clearance space above the conductors to a distance at least twice the height of the pole if work is performed manually or as high as a lift truck or mechanized clearance equipment can reach. Trees beneath the primary conductors are trimmed a minimum clearance of 15 feet below the lines.

In addition, a radius of three feet is cleared for twisted-wire secondary and neutral wires or five feet for open-wire secondary. This is often achieved with the clearance attained for the primary conductors. Vines are either cut and the stump treated or basal treated with herbicides on poles and down guys. Trees may be cleared from guywires as necessary to maintain structural integrity of the facilities.

- Scheduling

The Asset Planning and Optimization Department for CenterPoint Houston identifies circuits eligible for proactive work each calendar year and prioritizes the circuits based on several factors that may include last trim date, vegetation caused outages, potential impact on critical loads, and overall customer count impacted. Circuits identified as eligible for proactive work are then scheduled to be performed on a quarterly basis.

C. 16 Tex. Admin. Code § 25.96(f)(1)(C)

Plan to remediate vegetation-caused issues on feeders that are on the vegetation-caused worst performing feeder list for the preceding calendar year's SAIDI and SAIFI.

While CenterPoint Houston currently ranks circuits per SAIDI and SAIFI, we are now using analytics in our model that includes vegetation caused outages to prioritize our work. Pursuant to 16 TAC § 25.52, the Company tracks feeders for the 10% worst performing circuits based on SAIDI and SAIFI criteria, which includes forced interruptions.

D. 16 Tex. Admin. Code § 25.96(f)(1)(D)

Tree risk management program.

CenterPoint Houston utilizes a proactive hazard tree removal program that involves Level 1 tree risk assessments as defined in Part 9 of ANSI Standard A300. In identified risk areas, hazard trees outside of the easement are proactively located and removed with the consent of the landowner. The intent of this initiative is to reduce the risk of falling trees impacting electrical facilities and to minimize impacts in an extreme storm event. CenterPoint Houston will perform a patrol of the feeder-mains for those circuits known for higher tree mortality or otherwise identified as risk areas. Frequency of inspections may vary based on conditions observed.

E. 16 Tex. Admin. Code § 25.96(f)(1)(E)

Approach to monitoring, preparing for and responding to adverse environmental conditions such as drought and wildfire danger that may impact its vegetation management policies and practices.

The Company continuously monitors and adjusts plans as needed for adverse conditions, including adverse environmental conditions such as drought and wildfire or to address impacts

unique to the nature of the occurrences. This includes updating and maintaining mutual assistance contracts with vegetation management vendors to supplement current resources as conditions require and preparing to respond to a wide variety of adverse conditions.

F. 16 Tex. Admin. Code § 25.96(f)(1)(F)

Total overhead distribution miles in its system, excluding service drops.

As of December 31, 2022, CenterPoint Houston has 29,057 miles of overhead distribution lines, excluding streetlight miles. This includes 12 kV and 35 kV overhead feeder-main, laterals, and secondary conductor, excluding service drops.

G. 16 Tex. Admin. Code § 25.96(f)(1)(G)

Total number of electric points of delivery.

As of December 31, 2022, CenterPoint Houston has 2,722,082 electric points of delivery.

H. 16 Tex. Admin. Code § 25.96(f)(1)(H)

Amount of vegetation-related work it plans to accomplish in the current calendar year to achieve its vegetation management goals described in subparagraph (A) of this paragraph.

During 2022, CenterPoint Houston plans to target an estimated minimum of 3,500 miles of distribution circuits to proactively maintain vegetation clearance on the distribution system.

I. 16 Tex. Admin. Code § 25.96(f)(1)(I)

Vegetation management budget divided into the categories listed in clauses (i)-(iv) of this subparagraph. The utility should, within the confines of its own budgeting practices, assign subcategories and list them under these categories where appropriate. If a utility does not budget amounts under any specific category, the utility shall provide a brief explanation of why it does not do so. The utility shall title the budget with the dates it covers and provide a total for each category or subcategory.

Distribution Vegetation Management Budget for January 1, 2023– December 31, 2023

(i) Scheduled Vegetation Maintenance (Proactive Tree Trimming)	\$34,414,194
(ii) Unscheduled Vegetation Maintenance (Reactive Tree Trimming/Removal)	\$4,529,433
(iii) Tree Risk Management (Proactive Hazard Tree Removal)	\$226,000
(iv) Emergency and Post Storm Activities	\$427,228
Total	\$39,596,855

IV. 16 Tex. Admin. Code § 25.96(f)(2)

16 TAC § 25.96(f)(2) requires each utility to file an implementation summary for the preceding year of its Plan. The following information is provided in compliance with the Commission’s rule.

A. 16 Tex. Admin. Code § 25.96(f)(2)(A)

Whether the utility met its vegetation maintenance goals and how its goals have changed for the coming calendar year based on the results.

For 2022, CenterPoint Houston proactively worked approximately 3,988 miles of distribution circuits. The Company met its goal by proactively completing the number of circuit miles within the defined annual range for the 2021 vegetation management workplan strategy.

For 2023, CenterPoint Houston’s vegetation maintenance goal is to work an estimated minimum of 3,500 miles of targeted distribution circuits to proactively maintain vegetation clearance on the distribution system.

B. 16 Tex. Admin. Code § 25.96(f)(2)(B)

Successes and challenges with the utility’s strategy, including obstacles faced, such as property owner interference, and methods employed to overcome them.

CenterPoint Houston successfully met its 2022 goals as noted in the previous section; however, there were challenges.

Resource constraints by vegetation management contractors remains the greatest challenge for the Company's current vegetation management program. CenterPoint Houston plans to continue researching new ways to identify improvements in optimizing vegetation management investments throughout 2022 while ensuring the distribution system vegetation is proactively maintained.

The vegetation management contractors continued to express difficulties hiring and retaining qualified, experienced workers capable of performing tree clearing work near energized power lines. This is a common theme within the industry the last few years and is one of the issues negatively affecting program costs. The Company continues to conduct meetings with contractors to identify further opportunities to improve efficiencies.

Negative public perceptions surrounding utility vegetation management activities also continues to be an ongoing challenge. CenterPoint Energy's Community Relations Department helped coordinate vegetation management public education efforts and to further support the vegetation management program staff. These efforts, along with those of the Company's vegetation management staff, have maintained positive perceptions and enhanced working relationships with various interested stakeholders. This work has been acknowledged by the Arbor Day Foundation's annual recognition of CenterPoint Houston as a TreeLine USA Utility for eighteen consecutive years.

Property owner interference is an ongoing challenge inherent to the work activities. As previously noted, the Company employs a staff of professional foresters who work with these customers daily to resolve conflicts.

CenterPoint Houston is currently working to develop better predictive analytics to help identify areas across the service area with the greatest risk for vegetation caused outages. The analytics program may utilize contributing factors such as: distribution network and outage data, weather data, and comprehensive vegetation growth data. This research is still currently underway. Better understanding of the factors contributing to vegetation growth along distribution circuits may result in the establishment of appropriate trimming cycles to efficiently use contractor resources and strategically predict better vegetation management timing for each individual circuit and/or circuit section.

C. 16 Tex. Admin. Code § 25.96(f)(2)(C)

The progress and obstacles to remediating issues on the vegetation-caused, worst performing feeders list as submitted in the preceding year's report.

CenterPoint Houston currently tracks feeder performance based on vegetation-caused outages to prioritize our proactive work. Pursuant to 16 TAC § 25.52, the Company tracks feeders for the 10% worst performing circuits based on SAIDI and SAIFI criteria, which includes forced interruptions.

D. 16 Tex. Admin. Code § 25.96(f)(2)(D)

The number of continuing education hours logged for the utility's internal vegetation management personnel, if applicable;

CenterPoint Houston vegetation management personnel participated in 215 hours of continuing education in 2022.

E. 16 Tex. Admin. Code § 25.96(f)(2)(E)

The amount of vegetation management work the utility accomplished to achieve its vegetation management goals described in paragraph (1)(A) of this subsection.

CenterPoint Houston completed approximately 3,988 miles of proactive vegetation maintenance in 2022.

F. 16 Tex. Admin. Code § 25.96(f)(2)(F)

The separate SAIDI and SAIFI scores for vegetation-caused interruptions for each month and as reported for the calendar year in its Service Quality Report filed pursuant to 25.52 of this title (relating to Reliability and Continuity of Service) and 25.81 of this title (relating to Service Quality Reports), at both the feeder and company level.

While CenterPoint Houston currently ranks circuits per SAIDI and SAIFI, we are now using predictive analytics in our model that includes vegetation caused outages to more efficiently prioritize our scheduled work. Pursuant to 16 TAC § 25.52, the Company tracks feeders for the 10% worst performing circuits based on SAIDI and SAIFI criteria, which includes forced interruptions.

G. 16 Tex. Admin. Code § 25.96(f)(2)(G)

The vegetation management budget, including, at a minimum:

- (i) *A single table with columns representing:*
 - (I) *The budget for each category and subcategory that the utility provided in the preceding year pursuant to paragraph(1)(1) of this subsection, with totals for each category and subcategory;*
 - (II) *The actual expenditures for each category and subcategory listed pursuant to sub clause (I) of this clause, with totals for each category or subcategory.*
 - (III) *The percentage of actual expenditures over or under the budget for each category or subcategory listed pursuant to sub clause (I) of this clause; and*
 - (IV) *The actual expenditures for the preceding reporting year for each category or subcategory listed pursuant to sub clause (I) of this clause, with totals for each category or subcategory.*

(i) BUDGET CATEGORY	(I) PROJECTED COST 2022	(II) ACTUAL COST 2022	(III) %OVER/(UNDER) 2022	(IV) ACTUAL COST 2021
Scheduled Vegetation Management (Proactive Tree Trimming)	\$26,324,194	\$28,194,496	7.1%	\$26,479,583
Unscheduled Vegetation Management (Reactive Tree Trimming)	\$3,727,664	\$3,696,170	-8%	\$3,512,095
Tree Risk Management (Proactive Hazard Tree Removal)	\$226,000	\$911,542	303.3%	\$164,182
Emergency and Post Storm Activities (Storm Restoration: AD86, AD07)	\$520,840	\$1,811,324	247.7%	\$1,232,902
TOTAL	\$30,798,698	\$34,613,532	12.4%	\$31,388,762

(ii) *An explanation of the variation from the preceding year's vegetation management budget where actual expenditures in any category or subcategory fell below 98 percent or increased above 110 percent of the budget for that category.*

(i) BUDGET CATEGORY	(ii) EXPLANATION
Scheduled Vegetation Management (Proactive Tree Trimming)	<ul style="list-style-type: none"> 2022 proactive vegetation work production was on target even though this work was impacted in part by contract labor constraints caused by increase demand for utility arborist labor in major storm events requiring mutual assistance.
Unscheduled Vegetation Management (Reactive Tree Trimming)	<ul style="list-style-type: none"> Unplanned expenditures were reduced due to enhanced efforts to provide more tactical remediation of identified threats.
Tree Risk Management (Proactive Hazard Tree Removal)	<ul style="list-style-type: none"> There was an increase in hazard trees identified toward the end of 2022 due to drought conditions experienced during the summer.
Emergency and Post Storm Activities (Storm Restoration: AD86, AD07)	<ul style="list-style-type: none"> More restoration work was experienced throughout 2022 than anticipated.

(iii) *The total vegetation management expenditures divided by the number of electric points of delivery on the utility's system, excluding service drops.*

TOTAL 2022 VEGETATION MANAGEMENT EXPENDITURES	ELECTRIC POINTS OF DELIVERY	(iii) VM COST/ELECTRIC POINTS OF DELIVERY
\$34,613,532	2,722,082	\$12.72

(iv) *The total vegetation management expenditures, including expenditures from the storm reserve, divided by the number of customers the utility served.*

TOTAL 2022 VEGETATION MANAGEMENT EXPENDITURES INCLUDING STORM RESERVE	ELECTRIC POINTS OF DELIVERY	(iii) VM COST/ELECTRIC POINTS OF DELIVERY
\$35,621,187	2,722,082	\$13.08

(v) *The vegetation management budget from the utility's last base-rate case.*

The Company's last base-rate case was filed in 2019 in Docket No. 49421 based on a 2018-ended test year. A settlement agreement was filed in that case on January 23, 2020, and a final order approving the settlement was issued on March 9, 2020. There were no specific findings regarding vegetation management in either the settlement or the final order.



Filing Receipt

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Table of Contents

	Page
Pleading.....	2
Attachment A - Report.....	3
16 Tex. Admin. Code § 25.96(d).....	4
16 Tex. Admin. Code § 25.96(e)(1).....	5
16 Tex. Admin. Code § 25.96(e)(2).....	7
16 Tex. Admin. Code § 25.96(e)(3).....	7
16 Tex. Admin. Code § 25.96(e)(4).....	7
16 Tex. Admin. Code § 25.96(e)(5).....	8
16 Tex. Admin. Code § 25.96(e)(6).....	8
16 Tex. Admin. Code § 25.96(e)(7).....	9
16 Tex. Admin. Code § 25.96(f)(1).....	11
16 Tex. Admin. Code § 25.96(f)(2).....	14

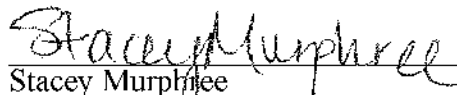
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Respectfully submitted,



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ATTACHMENT A

Vegetation Management Report

Submitted May 1, 2024

**VEGETATION MANAGEMENT REPORT
OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
FOR 2023**

Introduction

16 Tex. Admin. Code § 25.96 (“TAC”) requires each utility to file with the Public Utility Commission of Texas (“the Commission”) by May 1st of each year a summary of its Vegetation Management Plan (“Plan”) for the current calendar year and its progress in implementing its Plan for the preceding calendar year. CenterPoint Energy Houston Electric, LLC (“CenterPoint Houston” or “the Company”) submits the following summary of its vegetation management plan pursuant to the Commission’s rules.

1. 16 Tex. Admin. Code § 25.96(d)

16 TAC § 25.96(d) requires each utility to provide an explanation in the utility’s annual report of deviations from several mandatory provisions in national standards. The following information is provided in compliance with the Commission’s rule.

A. 16 Tex. Admin. Code § 25.96(d)(1)

ANSI Standard Z133.1, Arboricultural Operations – Pruning, or successor standard.

CenterPoint Houston’s vegetation management contracts require its vendors to follow the American National Standards Institute (“ANSI”) Standard Z133.1. Therefore, CenterPoint Houston does not have deviations from the provisions of ANSI Standard Z133.1.

B. 16 Tex. Admin. Code § 25.96(d)(2)

ANSI Standard A300 (Part 1), Tree Shrub, and Other Woody Plant Management Standard Practices (Pruning); (Part 7), Integrated Vegetation Management a. Utility Rights-of Way practices; and (Part 9), Tree Risk Assessment a. Tree Structure Assessment, or successor standards.

CenterPoint Houston’s vegetation management contracts require its vendors to follow ANSI Standard A300 (Parts 1 & 9) where applicable. CenterPoint Houston’s vegetation

management policies for distribution facilities do not conform to all provisions of Part 7 of ANSI A300. Due to the numerous site alternatives in urban, suburban, or rural settings with limited utility control of long-term actions of the various stakeholders and utility rights unique for each site, full implementation is not practical when compared to the costs involved. However, various methods for specific situations are utilized as appropriate to achieve limited strategic objectives.

C. 16 Tex. Admin. Code § 25.96(d)(3)

National Electrical Safety Code Section 218, or successor standard.

CenterPoint Houston does not have known deviations from the provisions of Section 218 of the National Electrical Safety Code (“NESC”).

II. 16 Tex. Admin. Code § 25.96(e)

16 TAC § 25.96 requires each utility to maintain a Plan that “describes the utility’s objectives, practices, procedures, and work specifications for its distribution assets.” The following information is provided in compliance with the Commission’s rule.

A. 16 Tex. Admin. Code § 25.96(e)(1)

Tree pruning methodology, trimming clearances, and scheduling approach.

- Methodology

CenterPoint Houston’s proactive vegetation management program for the distribution system prioritizes circuits for trimming based on each circuit’s trim cycle and the reliability of each circuit. All circuits that initially meet the recommended trim cycle criteria are then ranked and prioritized based on reliability performance.

The recommended trim cycle for all circuits is dependent upon multiple factors, such as: last trim date, vegetation caused outages, potential impact on critical loads, and overall customer count impacted. Additionally, laterals along with the feeder-main are trimmed on circuits identified for trimming.

In 2023, the distribution vegetation management program plan remained as four regions for the following reasons: to better distribute the work among the vegetation contractors; to provide an opportunity for the contractors to bid for proactive work based on vegetation in each service

center territory; and to for the most efficient deployment and use of resources. The contractors that were awarded a specific region were responsible for both the reactive and proactive tree trim maintenance, the proactive hazard tree work, and any other tree maintenance associated with capital improvements in that region, providing for more overall efficiencies.

Approximately 98% of the proactive distribution vegetation management program work is on a unit price basis, with the remainder of the costs on a time and equipment basis. Fixed price work is primarily allocated to circuits with extensive feeder and lateral networks that are in outlying areas of the system or that are otherwise conducive to fixed price bids. Time and equipment work is allocated strategically for smaller circuits and circuits with narrow easements, as well as circuits that require quicker action than a bid process will allow or other situations not conducive to fixed price bids.

The distribution vegetation management program work plan is administered by the Asset Management Analytics Department and executed by the Vegetation Management and Grid Inspection Departments. For 2023, six professional Line Clearance vendors performed utility tree trimming services for CenterPoint Houston.

- Clearances

CenterPoint Houston trims trees for a minimum lateral clearance of seven feet from 12 kV and ten feet from 35kV primary conductors and equipment. This clearance pattern is followed vertically to achieve overhead clearance space above the conductors to a distance at least twice the height of the pole if work is performed manually or as high as a lift truck or mechanized clearance equipment can reach. Trees beneath the primary conductors are trimmed a minimum clearance of 15 feet below the lines.

In addition, a radius of three feet is cleared for twisted-wire secondary and neutral wires or five feet for open-wire secondary. This is often achieved with the clearance attained for the primary conductors. Vines are either cut and the stump treated or basal treated with herbicides on poles and down guys. Trees may be cleared from guy wires as necessary to maintain structural integrity of the facilities.

- Scheduling

The Asset Planning and Optimization Department for CenterPoint Houston identifies circuits eligible for proactive work plan each calendar year and prioritizes these circuits based on

several factors that may include last trim date, vegetation caused outages, potential impact on critical loads, and overall customer count impacted. Circuits identified as eligible for the proactive work plan are then scheduled to be performed on a quarterly basis.

B. 16 Tex. Admin. Code § 25.96(e)(2)

Methods used to mitigate threats posed by vegetation to applicable distribution assets.

Mid-Cycle or reactive tree trim maintenance is performed by CenterPoint Houston to address vegetation issues that require immediate attention. This work is performed in response to specific requests from customers or CenterPoint Houston personnel located at the Service Centers. Customer requests received by CenterPoint Houston personnel are inspected to ensure validity. If valid, the trees are trimmed or removed to clearance specifications. Vendors also receive Distribution Maintenance Request (DMR) work orders identified by the Area Service Centers and conduct work per standard line clearance specifications or specific instructions on the work request. Most reactive work is performed on a unit-priced basis.

C. 16 Tex. Admin. Code § 25.96(e)(3)

Tree risk management program.

In addition to those hazard trees identified and removed as part of scheduled and unscheduled circuit maintenance, CenterPoint Houston utilizes a proactive hazard tree removal program that involves Level 1 tree risk assessments as defined in Part 9 of ANSI Standard A300. In high-risk areas, hazard trees outside of the utility easement are proactively located and removed with the consent of the landowner. The purpose of this initiative is to reduce the risk of falling trees impacting electrical facilities as well as to minimize impacts in an extreme storm event. CenterPoint Houston performs a patrol of the feeder-mains for those circuits known for higher tree mortality or otherwise identified as high-risk areas. Frequency of inspections may vary based on various conditions observed.

D. 16 Tex. Admin. Code § 25.96(e)(4)

Participation in continuing education by the utility's internal vegetation management personnel.

Most of CenterPoint Houston's utility distribution vegetation management program personnel are degreed foresters or otherwise degreed with extensive experience within the utility vegetation management industry. Company foresters are encouraged to maintain Texas Department of Agriculture Non-Commercial Pesticide Applicator licenses that require ongoing annual continuing education units. Several of the foresters independently maintain International Society of Arboriculture Certified Arborist status. The Company does not require this status due to the formal educational requirements for the positions; however, of those foresters that maintain their certifications (currently 80%) are supported in acquiring necessary continuing education units related to the work. The foresters also attend various industry related professional conferences, seminars, and training as available and beneficial to support educational development associated with vegetation management.

E. 16 Tex. Admin. Code § 25.96(e)(5)

Estimate of the miles of circuits along which vegetation is to be trimmed or method for planning trimming work for the coming year.

CenterPoint Houston estimates that a minimum of 3,500 miles of distribution circuits is identified as planned for trimming each year. The circuits identified as planned for trimming are prioritized based multiple factors, such as: last trim date, vegetation caused outages, potential impact on critical loads, and overall customer count impacted.

F. 16 Tex. Admin. Code § 25.96(e)(6)

Plan to remediate vegetation-caused issues on feeders which are on the worst vegetation-caused performing feeder list for the preceding calendar year's System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI).

CenterPoint Houston currently ranks circuits per SAIDI and SAIFI. Since 2019, we also now using predictive analytics in our model that includes vegetation caused outages to better prioritize our work plan. Pursuant to 16 TAC § 25.52, the Company tracks feeders for the 10% worst performing circuits based on SAIDI and SAIFI criteria, which includes forced interruptions.

G. 16 Tex. Admin. Code § 25.96(e)(7)

Customer education, notification, and outreach practices related to vegetation management.

CenterPoint Houston utilizes customer notifications, social media platforms, and various public awareness campaign strategies to provide customer education and notifications related to vegetation management. CenterPoint Houston intends to continue these efforts and where possible expand or improve its customer education programs.

- Customer Notifications of Work to be Performed

CenterPoint Houston vendors are required to distribute customer notification door cards at residences and businesses at least seven days prior to commencing planned tree pruning activities. CenterPoint Houston's door hanger notification is available to the Commission Staff upon request. It includes the vendor's contact information to allow the customer to set an appointment to provide access, discuss planned work activities and concerns, and arrange to be present while work is being done should the customer prefer. CenterPoint Houston also provides a *Tree Trimming Practices* brochure with the work notification door card. The brochure is available to the Commission Staff upon request. It explains general practices and responses to frequently asked questions. These two items are the primary method of pre-work notification.

The brochure has been a successful tool for answering customers questions and providing the public with an educational visual aid. In addition, CenterPoint Houston provides a *Palm Trees and Power Lines* brochure selectively to those customers with palm trees on their property. The *Palm Trees* brochure explains issues unique to palms and power lines. These brochures and the door card provide significant information to the customer, while also pointing them to additional information that can be found on the CenterPointEnergy.com/trees website. CenterPoint Houston believes that these documents and associated web address aide in setting customer expectations, minimize misconceptions, and prompt customer engagement discussions to be able to answer customer concerns before the work is performed in their area or neighborhood.

- Non-Print Media Used in Public Education Campaign

CenterPoint Houston utilizes a landing page on its Internet website dedicated to vegetation management, which may be found at CenterPointEnergy.com/trees. This section of the main

CenterPoint Houston website provides information on tree planting guides, how to plant and trim trees safely, power line friendly trees, Right Tree Right Place information, energy saving tips, vegetation management practices, frequently asked questions, the *Tree Trimming Practices* and *Palm Trees and Power Lines* brochures, and information on tree trimming vendors. Examples of information available from these sites include: Power Line Clearance Standards; Recommended List of Low Growing Trees; and, What My Pruned Trees Will Look Like. Each public education tool warns the public to use extreme caution when pruning trees located near power lines and guidance on planting the right tree in the right place, which is away from power lines.

- Other Media Events

CenterPoint Houston also partners with a number of parks, community groups, and other organizations around the Greater Houston area for tree planting events, that replace potentially hazardous trees near power lines with low-growing, power line-friendly trees. The events also increase involvement and awareness from local parks and recreation departments, government officials and stakeholder organizations, as well as interested citizens in the communities. The resulting media coverage, community relationships, dissemination of collateral material, and permanent park signage is designed to reinforce the Right Tree Right Place message long after the completion of the specific event.

CenterPoint Houston has partnered with Trees for Houston to establish a Right Tree Right Place nursery on Company property as a source of low-growing power line compatible tree species for various events. The partnerships objectives are to: further enhance key customer relationships, provide successful growing stock as examples of power line “friendly” trees, and enhance employee- community engagement.

CenterPoint Houston’s Speakers Bureau employee volunteers are available to make presentations to area civic associations about proper vegetation management, vegetation placement and to provide supporting educational materials. Employees who work directly with vegetation management and electric operations also make similar presentations at meetings for municipal officials, homeowner’s associations, landscape architects, builders, or other community groups, upon request.

III. 16 Tex. Admin. Code § 25.96(f)(1)

16 TAC § 25.96 requires each utility to file a Vegetation Management Plan Report that summarizes its Plan and provide its progress in implementing the Plan. The following information is provided in compliance with the Commission's rule.

A. 16 Tex. Admin. Code § 25.96(f)(1)(A)

Vegetation maintenance goals and the method the utility employs to measure its progress.

CenterPoint Houston's vegetation maintenance goal is to work an estimated minimum of 3,500 miles of targeted distribution circuits annually to proactively maintain proper vegetation clearance on the distribution system. The Company measures its progress quarterly by monitoring the completed miles worked in accordance with the distribution vegetation management program work plan within a given calendar year to ensure it executing on its plan and staying within the defined range of planned circuit miles.

B. 16 Tex. Admin. Code § 25.96(f)(1)(B)

Trimming clearances and scheduling approach.

- Clearances

CenterPoint Houston trims trees for a minimum lateral clearance of seven feet from 12 kV and ten feet from 35kV primary conductors and equipment. This clearance pattern is followed vertically to achieve overhead clearance space above the conductors to a distance at least twice the height of the pole if work is performed manually or as high as a lift truck or mechanized clearance equipment can reach. Trees beneath the primary conductors are trimmed a minimum clearance of 15 feet below the lines.

In addition, a radius of three feet is cleared for twisted-wire secondary and neutral wires or five feet for open-wire secondary. This is often achieved with the clearance attained for the primary conductors. Vines are either cut and the stump treated or basal treated with herbicides on poles and down guys. Trees may be cleared from guywires as necessary to maintain structural integrity of the facilities.

- Scheduling

The Asset Management Analytics Department for CenterPoint Houston identifies circuits eligible for proactive work each calendar year and prioritizes the circuits based on several factors that may include last trim date, vegetation caused outages, potential impact on critical loads, and overall customer count impacted. Circuits identified as eligible for proactive work are then scheduled to be performed on a quarterly basis.

C. 16 Tex. Admin. Code § 25.96(f)(1)(C)

Plan to remediate vegetation-caused issues on feeders that are on the vegetation-caused worst performing feeder list for the preceding calendar year's SAIDI and SAIFI.

While CenterPoint Houston currently ranks circuits per SAIDI and SAIFI, we are now using analytics in our model that includes vegetation caused outages to prioritize our work. Pursuant to 16 TAC § 25.52, the Company tracks feeders for the 10% worst performing circuits based on SAIDI and SAIFI criteria, which includes forced interruptions.

D. 16 Tex. Admin. Code § 25.96(f)(1)(D)

Tree risk management program.

CenterPoint Houston utilizes a proactive hazard tree removal program that involves Level 1 tree risk assessments as defined in Part 9 of ANSI Standard A300. In identified risk areas, hazard trees outside of the easement are proactively located and removed with the consent of the landowner. The intent of this initiative is to reduce the risk of falling trees impacting electrical facilities and to minimize impacts in an extreme storm event. CenterPoint Houston will perform a patrol of the feeder-mains for those circuits known for higher tree mortality or otherwise identified as risk areas. Frequency of inspections may vary based on conditions observed.

E. 16 Tex. Admin. Code § 25.96(f)(1)(E)

Approach to monitoring, preparing for and responding to adverse environmental conditions such as drought and wildfire danger that may impact its vegetation management policies and practices.

The Company continuously monitors and adjusts plans as needed for adverse conditions, including adverse environmental conditions such as drought and wildfire or to address impacts unique to the nature of the occurrences. This includes updating and maintaining mutual assistance contracts with vegetation management vendors to supplement current resources as conditions require and preparing to respond to a wide variety of adverse conditions.

F. 16 Tex. Admin. Code § 25.96(f)(1)(F)

Total overhead distribution miles in its system, excluding service drops.

As of December 31, 2023, CenterPoint Houston has 29,270 miles of overhead distribution lines, excluding streetlight miles. This includes 12 kV and 35 kV overhead feeder-main, laterals, and secondary conductor, excluding service drops.

G. 16 Tex. Admin. Code § 25.96(f)(1)(G)

Total number of electric points of delivery.

As of December 31, 2023, CenterPoint Houston has 2,761,886 electric points of delivery.

H. 16 Tex. Admin. Code § 25.96(f)(1)(H)

Amount of vegetation-related work it plans to accomplish in the current calendar year to achieve its vegetation management goals described in subparagraph (A) of this paragraph.

During 2024, CenterPoint Houston plans to target an estimated minimum of 3,500 miles of distribution circuits to proactively maintain vegetation clearance on the distribution system.

I. 16 Tex. Admin. Code § 25.96(f)(1)(I)

Vegetation management budget divided into the categories listed in clauses (i)-(iv) of this subparagraph. The utility should, within the confines of its own budgeting practices, assign subcategories and list them under these categories where appropriate. If a utility does not budget amounts under any specific category, the utility shall provide a brief explanation of why it does not do so. The utility shall title the budget with the dates it covers and provide a total for each category or subcategory.

Distribution Vegetation Management Budget for January 1, 2024– December 31, 2024

(i) Scheduled Vegetation Maintenance (Proactive Tree Trimming)	\$31,414,194
(ii) Unscheduled Vegetation Maintenance (Reactive Tree Trimming/Removal)	\$4,530,297
(iii) Tree Risk Management (Proactive Hazard Tree Removal)	\$1,723,000
(iv) Emergency and Post Storm Activities	\$1,400,000
Total	\$39,067,491

IV. 16 Tex. Admin. Code § 25.96(f)(2)

16 TAC § 25.96(f)(2) requires each utility to file an implementation summary for the preceding year of its Plan. The following information is provided in compliance with the Commission’s rule.

A. 16 Tex. Admin. Code § 25.96(f)(2)(A)

Whether the utility met its vegetation maintenance goals and how its goals have changed for the coming calendar year based on the results.

For 2023, CenterPoint Houston proactively worked approximately 4,608 miles of distribution circuits. The Company met its goal by proactively completing the number of circuit miles within the defined annual range for the 2023 vegetation management workplan strategy.

For 2024, CenterPoint Houston’s vegetation maintenance goal is to work an estimated minimum of 3,500 miles of targeted distribution circuits to proactively maintain vegetation clearance on the distribution system.

B. 16 Tex. Admin. Code § 25.96(f)(2)(B)

Successes and challenges with the utility’s strategy, including obstacles faced, such as property owner interference, and methods employed to overcome them.

CenterPoint Houston successfully met its 2023 goals as noted in the previous section; however, there were challenges.

Resource constraints by vegetation management contractors remains the greatest challenge for the Company's current vegetation management program. CenterPoint Houston plans to continue researching new ways to identify improvements in optimizing vegetation management investments throughout 2024 while ensuring the distribution system vegetation is proactively maintained.

The vegetation management contractors continued to express difficulties hiring and retaining qualified, experienced workers capable of performing tree clearing work near energized power lines. This is a common theme within the industry the last few years and is one of the issues negatively affecting program costs. The Company continues to conduct meetings with contractors to identify further opportunities to improve efficiencies.

Negative public perceptions surrounding utility vegetation management activities also continues to be an ongoing challenge. CenterPoint Energy's Community Relations Department helped coordinate vegetation management public education efforts and to further support the vegetation management program staff. These efforts, along with those of the Company's vegetation management staff, have maintained positive perceptions and enhanced working relationships with various interested stakeholders. This work has been acknowledged by the Arbor Day Foundation's annual recognition of CenterPoint Houston as a TreeLine USA Utility for nineteen consecutive years.

Property owner interference is an ongoing challenge inherent to the work activities. As previously noted, the Company employs a staff of professional foresters who work with these customers daily to resolve conflicts.

CenterPoint Houston is currently working to develop better predictive analytics to help identify areas across the service area with the greatest risk for vegetation caused outages. The analytics program may utilize contributing factors such as: distribution network and outage data, weather data, and comprehensive vegetation growth data. This research is still currently underway. Better understanding of the factors contributing to vegetation growth along distribution circuits may result in the establishment of appropriate trimming cycles to efficiently use contractor resources and strategically predict better vegetation management timing for each individual circuit and/or circuit section.

C. 16 Tex. Admin. Code § 25.96(f)(2)(C)

The progress and obstacles to remediating issues on the vegetation-caused, worst performing feeders list as submitted in the preceding year's report.

CenterPoint Houston currently tracks feeder performance based on vegetation-caused outages to prioritize our proactive work. Pursuant to 16 TAC § 25.52, the Company tracks feeders for the 10% worst performing circuits based on SAIDI and SAIFI criteria, which includes forced interruptions.

D. 16 Tex. Admin. Code § 25.96(f)(2)(D)

The number of continuing education hours logged for the utility's internal vegetation management personnel, if applicable;

CenterPoint Houston vegetation management personnel participated in 169.5 hours of continuing education in 2023.

E. 16 Tex. Admin. Code § 25.96(f)(2)(E)

The amount of vegetation management work the utility accomplished to achieve its vegetation management goals described in paragraph (1)(A) of this subsection.

CenterPoint Houston completed approximately 4,608 miles of proactive vegetation maintenance in 2023.

F. 16 Tex. Admin. Code § 25.96(f)(2)(F)

The separate SAIDI and SAIFI scores for vegetation-caused interruptions for each month and as reported for the calendar year in its Service Quality Report filed pursuant to 25.52 of this title (relating to Reliability and Continuity of Service) and 25.81 of this title (relating to Service Quality Reports), at both the feeder and company level.

While CenterPoint Houston currently ranks circuits per SAIDI and SAIFI, we are now using predictive analytics in our model that includes vegetation caused outages to more efficiently prioritize our scheduled work. Pursuant to 16 TAC § 25.52, the Company tracks feeders for the 10% worst performing circuits based on SAIDI and SAIFI criteria, which includes forced interruptions.

G. 16 Tex. Admin. Code § 25.96(f)(2)(G)

The vegetation management budget, including, at a minimum:

- (i) A single table with columns representing:
 - (I) The budget for each category and subcategory that the utility provided in the preceding year pursuant to paragraph(1)(1) of this subsection, with totals for each category and subcategory;
 - (II) The actual expenditures for each category and subcategory listed pursuant to sub clause (I) of this clause, with totals for each category or subcategory.
 - (III) The percentage of actual expenditures over or under the budget for each category or subcategory listed pursuant to sub clause (I) of this clause; and
 - (IV) The actual expenditures for the preceding reporting year for each category or subcategory listed pursuant to sub clause (I) of this clause, with totals for each category or subcategory.

(i) BUDGET CATEGORY	(I) PROJECTED COST 2023	(II) ACTUAL COST 2023	(III) %OVER/(UNDER) 2023	(IV) ACTUAL COST 2022
Scheduled Vegetation Management (Proactive Tree Trimming)	\$34,414,194	\$35,582,870	3.3%	\$28,194,496
Unscheduled Vegetation Management (Reactive Tree Trimming)	\$4,525,524	\$5,526,108	22.1%	\$3,696,170
Tree Risk Management (Proactive Hazard Tree Removal)	\$523,000	\$3,660,267	599.9%	\$911,543
Emergency and Post Storm Activities (Storm Restoration: AD86, AD07)	\$427,228	\$ 1,065,611	149.4%	\$1,811,324
TOTAL	\$39,889,946	\$45,834,856	14.9%	\$34,613,533

(ii) *An explanation of the variation from the preceding year's vegetation management budget where actual expenditures in any category or subcategory fell below 98 percent or increased above 110 percent of the budget for that category.*

(i) BUDGET CATEGORY	(ii) EXPLANATION
Scheduled Vegetation Management (Proactive Tree Trimming)	<ul style="list-style-type: none"> 2023 proactive vegetation work production was on target even though this work was impacted in part by contract labor constraints caused by increase demand for utility arborist labor in major storm events requiring mutual assistance.
Unscheduled Vegetation Management (Reactive Tree Trimming)	<ul style="list-style-type: none"> Unplanned expenditures were reduced due to enhanced efforts to provide more tactical remediation of identified threats.
Tree Risk Management (Proactive Hazard Tree Removal)	<ul style="list-style-type: none"> There was an increase in hazard trees identified toward the end of 2023 due to drought conditions experienced during the summer.
Emergency and Post Storm Activities (Storm Restoration: AD86, AD07)	<ul style="list-style-type: none"> More restoration work was experienced throughout 2023 than anticipated.

(iii) *The total vegetation management expenditures divided by the number of electric points of delivery on the utility's system, excluding service drops.*

TOTAL 2023 VEGETATION MANAGEMENT EXPENDITURES	ELECTRIC POINTS OF DELIVERY	(iii) VM COST/ELECTRIC POINTS OF DELIVERY
\$45,834,856	2,761,886	\$16.60

(iv) *The total vegetation management expenditures, including expenditures from the storm reserve, divided by the number of customers the utility served.*

TOTAL 2023 VEGETATION MANAGEMENT EXPENDITURES INCLUDING STORM RESERVE	ELECTRIC POINTS OF DELIVERY	(iii) VM COST/ELECTRIC POINTS OF DELIVERY
\$46,510,572	2,761,886	\$16.84

(v) The vegetation management budget from the utility's last base-rate case.

The Company's last base-rate case was filed in 2019 in Docket No. 49421 based on a 2018-ended test year. A settlement agreement was filed in that case on January 23, 2020, and a final order approving the settlement was issued on March 9, 2020. There were no specific findings regarding vegetation management in either the settlement or the final order.