

Control Number: 42742



Item Number: 14

Addendum StartPage: 0

## **DOCKET NO. 42742**

§

§ §

§

§

APPLICATION OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC TO AMEND RATE SCHEDULE 6.1.1.1.6 LIGHTING SERVICES IN ITS TARIFF FOR RETAIL DELIVERY SERVICE 2742 20/40CT -6 PM 1:54 BEFORE THE PUBLIC UTILITY/QOMMISSION OF TEXAS<sup>G CLERK</sup>

# UNOPPOSED JOINT MOTION FOR ADMISSION OF EVIDENCE AND ENTRY OF PROPOSED ORDER

Today, CenterPoint Energy Houston Electric, LLC (CenterPoint Houston) and Staff of the Public Utility Commission of Texas filed an unopposed stipulation resolving all issues in this case. The remaining parties, the City of Houston; the Gulf Coast Coalition of Cities; and Texas Coast Utilities Coalition, do not oppose entry of the stipulation.

To facilitate entry of an order approving the stipulation without a hearing, CenterPoint

Houston requests that the administrative law judge admit the following documents into the

evidentiary record of this proceeding:

- 1. CenterPoint Houston's application (including Attachments A-D) filed August 8, 2014;
- 2. Affidavit of Linda G. Johnston filed September 5, 2014;
- 3. Stipulation and Settlement Agreement filed October 6, 2014; and
- 4. Staff's Memorandum in Support of Stipulation filed October 6, 2014.

CenterPoing Houston also requests that the Commission issue the attached Proposed Order resolving this case. CenterPoint Houston is authorized to represent that this motion is not opposed by any party.

1

1

Respectfully submitted,

son M. son M. Ryan

Vice President and Associate General Counsel State Bar No. 24033150 CenterPoint Energy Service Company LLC P.O. Box 61867 Houston, Texas 77208 713.207.7261 713.574.2661 (fax) jason.ryan@centerpointenergy.com

COUNSEL FOR CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC

#### **DOCKET NO. 42742**

§ §

\$ \$ \$ \$ \$

APPLICATION OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC TO AMEND RATE SCHEDULE 6.1.1.1.6 LIGHTING SERVICE IN ITS TARIFF FOR RETAIL DELIVERY SERVICE PUBLIC UTILITY COMMISSION

**OF TEXAS** 

#### **PROPOSED ORDER**

This Order addresses CenterPoint Energy Houston Electric, LLC's (CenterPoint or Company) application to amend its Rate Schedule 6.1.1.1.6 Lighting Service in its Tariff for Retail Delivery Service. A Stipulation and Settlement Agreement (Stipulation) was filed resolving all issues in this proceeding. The Stipulation and the Application, to the extent it is consistent with the Stipulation, are approved.

The Public Utility Commission of Texas (Commission) adopts the following findings of fact and conclusions of law:

#### I. Findings of Fact

#### **Procedural History**

- 1. On August 8, 2014, CenterPoint filed an application to amend the Lighting Services rate schedule at Section 6.1.1.1.6 of its Tariff for Retail Delivery Service (Application) to add four new light emitting diode (LED) street lighting options, with a proposed effective date of October 1, 2014.
- 2. In its application, CenterPoint proposed that initial rates for the proposed new LED street lighting alternatives be set at the same rates as are currently in place for equivalent traditional bulb street lights under the Company's existing tariffs. CenterPoint also noted that the election of one of the new LED street lighting option would require additional capital investment and that the Company intends to seek recovery of that capital investment in a future proceeding.

- 3. Concurrent with its filing with the Commission, CenterPoint filed a similar application with each incorporated city in its service area that has original jurisdiction over its retail rates.
- 4. In its application, CenterPoint proposed to provide notice to each REP listed on the Commission's website, to each jurisdictional municipality in its service territory, and to the attorneys of record for each party that participated in its most recent base rate case, Docket No. 38339. In addition, CenterPoint proposed to publish notice in the *Houston Chronicle*, a newspaper of general circulation throughout the Company's service territory, for two consecutive weeks.
- Motions to intervene were filed by the Gulf Coast Coalition of Cities (GCCC), the City of Houston (COH) and the Texas Coast Utilities Coalition (TCUC).
- On August 19, 2014, Commission Staff filed its comments on notice and proposed procedural schedule, recommending that the Company's proposed notice was sufficient. Staff also recommended the filing be docketed pursuant to P.U.C. PROC. R. 22.33(b)(6).
- 7. On August 20, 2014, the Commission docketed this proceeding and suspended the effective date of the amended Lighting Services rate schedule for 150 days beyond the proposed effective date, pursuant to P.U.C. PROC. R. 22.33(c).
- 8. On August 20, 2014, the Commission issued Order No. 1, establishing a procedural schedule and setting a deadline of September 29, 2014 for Commission Staff to request a hearing or file a recommendation on final disposition of this proceeding.

- 9. On August 21, 2014, the Commission issued Order No. 2, granting GCCC's motion to intervene.
- 10. On September 5, 2014, CenterPoint filed the affidavit of Linda G. Johnston attesting that provision of notice, as proposed in the application, was completed on August 29, 2014.
- 11. No party requested a hearing or filed comments on the application.
- 12. On September 29, 2014, Commission Staff filed a Response to Order No. 1 indicating that, in lieu of Staff's request for hearing or recommendation, Staff and the parties planned to file a stipulation and settlement agreement resolving all issues in the proceeding.
- 13. On October 1, 2014, the Commission issued Order No. 3, granting the motions to intervene filed by COH and TCUC.
- 14. On October 6, 2014, CenterPoint and Commission Staff filed the Stipulation resolving all substantive issues in this proceeding. GCCC, COH and TCUC did not oppose the Stipulation.
- On October 6, 2014, the Commission Staff filed a memorandum in support of the Stipulation.
- 16. On October 6, 2014, CenterPoint filed an unopposed motion requesting that the following documents be admitted into the evidentiary record:
  - a. CenterPoint's Application, including attachments A-D, filed August 8, 2014;
  - b. Affidavit of Linda G. Johnston filed September 5, 2014;
  - c. Stipulation and Settlement Agreement filed October 6, 2014; and

- d. Staff's Memorandum in Support of the Stipulation filed October 6, 2014.
- 17. On October \_\_\_, 2014, CenterPoint's motion for the admission of evidence was granted.

## The Stipulation

- 18. The Stipulation contains the following agreements:
  - a. CenterPoint agreed to amend the paragraph regarding mercury vapor lighting in the "Other Provisions" section of Section 6.1.1.1.6 of the Company's Tariff for Retail Delivery Service to read as follows:

Mercury Vapor Lighting Additional mercury vapor lighting is no longer being installed. Existing mercury vapor installations will be converted during the normal course of maintenance when individual lamps burn out. Mercury vapor installations will be converted to high pressure sodium lamps or LED equivalents, depending upon the standard street light installation, as selected by the Retail Customer, for the area in which the mercury vapor light resides, with 4,200, 7,800, 22,600 and 58,000 lumen lamps will be converted to 9,500, 15,000, 28,000 and 50,000 lumen high pressure sodium lamps, respectively, or at the Company's discretion, a suitable LED replacement, when individual mercury vapor lamps burn out, at no upfront cost to the Retail Customer.

- b. CenterPoint agreed to track the costs associated with providing LED street lighting service under Section 6.1.1.1.6 of the Company's Tariff for Retail Delivery Service so that such costs could be allocated or directly assigned to the Lighting Services class in the Company's next DCRF and base rate proceedings.
- c. CenterPoint further agreed to track the costs associated with providing LED street lighting service under Section 6.1.1.1.6 of the Company' Tariff for Retail Delivery Service so that such costs could be allocated or directly assigned to each of the LED lighting rates in the Company's next DCRF and base rate proceedings.
- d. The Signatories agreed to support the entry of any order required to give effect to the terms of the Stipulation.
- e. The Signatories agreed that the effective date of the amended Lighting Services rate schedule at Section 6.1.1.1.6 of the Company's Tariff for Retail Delivery Service, as modified by the Stipulation, shall be the later of (a) December 30, 2014 and (b) the first day of the month following entry of an order by the Commission approving the Stipulation.
- f. CenterPoint agreed to file with the Commission a compliance tariff consistent with the Commission order approving the Stipulation within five (5) business days of receiving that order. COH, GCCC and TCUC do not oppose the filing by

CenterPoint of the same compliance filing with their cities showing the same effective date.

19. The Stipulation is reasonable and should be approved.

#### Informal Disposition

20. More than 15 days have passed since completion of the notice provided in this docket.

## II. Conclusions of Law

- CenterPoint is an electric utility as defined under PURA<sup>1</sup> § 31.002 and is subject to the Commission's jurisdiction under PURA §§ 14.001, 32.001, 33.001, 33.002, 33.051, 35.004, and 36.102.
- 2. This docket was processed in accordance with the requirements of PURA, the Administrative Procedure Act, TEX. GOV'T CODE ANN. §§ 2001.001-.902 (West 2008 & Supp. 2013), and Commission rules.
- CenterPoint provided sufficient notice of this proceeding in accordance with P.U.C. PROC R. 22.55.
- 4. Pursuant to PURA § 33.001, each municipality in CenterPoint's service area that has not ceded jurisdiction to the Commission has exclusive original jurisdiction over the rates, operations, and services of CenterPoint in such municipality.

<sup>&</sup>lt;sup>1</sup> Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001-66.017 (West 2007 & Supp. 2013) (PURA).

- 5. The Commission has exclusive original jurisdiction over this application for areas outside municipalities pursuant to PURA § 32.001 and over rates in those municipalities that have ceded jurisdiction to the Commission pursuant to PURA § 32.002(b).
- The issues in this docket were resolved by agreement of the parties as allowed by the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.056 (West 2008 & Supp. 2013).
- 7. The Stipulation, taken as a whole, is a just and reasonable resolution of all the issues it addresses; results in just and reasonable rates, terms, and conditions; is supported by a preponderance of the credible evidence in the record; is consistent with the relevant provisions of PURA; and, thus, should be approved.
- The requirements for informal disposition pursuant to P.U.C. PROC R. 22.35 and TEX.
  GOV'T CODE § 2001.056 have been met in this proceeding.

## III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders:

- 1. The Stipulation and application, to the extent it is consistent with the Stipulation, are approved.
- 2. CenterPoint shall file a clean copy of its amended Lighting Services rate schedule, Section 6.1.1.1.6, of the Company's Tariff for Retail Delivery Service, consistent with the Stipulation, within five (5) business days after the issuance of this Order, to be stamped "Approved" by Central Records.
- 3. Consistent with the Stipulation, CenterPoint is authorized to implement the amended Lighting Services rate schedule, Section 6.1.1.1.6 of the Company's Tariff for Retail

Delivery Service beginning on the later of (a) December 30, 2014 or (b) the first day of the month following entry of this Order.

- 4. Entry of this Order does not indicate the Commission's endorsement or approval of any principle or methodology that may underlie the Stipulation. Entry of this Order should not be regarded as a binding holding or precedent as to the appropriateness of any principle or methodology underlying the Stipulation except for the purpose of enforcing the Stipulation in any future proceeding.
- 5. All other motions, requests for entry of specific findings of fact and conclusions of law, and any other request for general or specific relief, if not expressly granted herein, are denied.

# SIGNED AT AUSTIN, TEXAS the \_\_\_\_\_ day of October 2014.

# PUBLIC UTILITY COMMISSION OF TEXAS

# DONNA L. NELSON, CHAIRMAN

# KENNETH W. ANDERSON, JR., COMMISSIONER

## **BRANDY D. MARTY, COMMISSIONER**

#### CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served on all parties of record in this proceeding by facsimile transmission, hand delivery, electronic mail, overnight delivery or United States first class mail on this 6<sup>th</sup> day of October, 2014.

Miskin