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APPLICATION OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC FOR INTERIM UPDATE OF WHOLESALE TRANSMISSION RATES

PUBLIC UTILITY COMMISSION: 3: 17

OF TEXAS

ORDER NO. 1 ESTABLISHING PROCEDURAL SCHEDULE

On February 16, 2018, CenterPoint Energy Houston Electric, LLC filed an application for interim update of wholesale transmission rates that were approved in Docket No. 47610.¹

CenterPoint Energy seeks to revise the interim update to wholesale transmission rates that was approved in Docket No. 47610 to (a) reflect the impact of the reduction in the federal income tax corporate rate from 35% to 21% resulting from the *Tax Cut and Jobs Act* on CenterPoint Energy's wholesale transmission revenue requirement, (b) reduce CenterPoint Energy's wholesale transmission rate base by the estimated Excess Deferred Federal Income Tax (EDFIT) attributable to the change in Accumulated Deferred Federal Income Tax related to all incremental transmission plant investments added to its wholesale transmission rate base since CenterPoint Energy's last rate case in Docket No. 38339² through July 31, 2017, (the end of the period covered by Docket No. 47610), and (c) amortize estimated transmission plant EDFIT related to protected property, plant, and equipment using the Average Rate Assumption Method. In the application, CenterPoint Energy does not include any incremental capital additions to its wholesale transmission service based on any such incremental capital additions.

CenterPoint Energy stated the revisions will reduce (a) the amount of CenterPoint Energy's transmission rate base from \$2,109,696,252 to \$2,008,037,999, and (b) the amount of wholesale transmission revenue requirement from \$389,483,333 to \$347,835,438. Approval of this application will change the wholesale transmission rate that was approved in Docket No. 47610 from \$5,753.91 per megawatt (MW) to \$5,138.64 per MW (the Revised Wholesale Transmission Rate).

¹ Application of CenterPoint Energy Houston Electric, LLC for Interim Update of Wholesale Transmission Rates, Docket No. 47610, Notice of Approval (Nov. 9, 2017) (Docket No. 47610).

² Application of CenterPoint Energy Houston Electric, LLC for Authority to Change Rates, Docket No. 38339, Order on Rehearing (June 23, 2011).

CenterPoint Energy stated that on the day of filing the application written notice in a form shown as Attachment A to the application will be provided to all parties in its last rate proceeding, Docket No. 38339 and to all of the distribution service providers listed in the matrix established by the Commission in Docket No. 46604,³ which established wholesale transmission charges for calendar year 2017. Upon completion of the notice described, CenterPoint Energy will file an affidavit attesting to such notice by the date established below.

The following procedural schedule shall apply to this proceeding:

Deadline for CenterPoint Energy's affidavit attesting to the provision of notice	February 23, 2018
Deadline to intervene; deadline for intervenors to file comments on the merits or request for hearing	March 9, 2018
Deadline to file a motion to find the application materially deficient	March 9, 2018
Deadline for CenterPoint Energy's response to a motion to find the application materially deficient	March 13, 2018
Deadline for Commission Staff to request a hearing or to file a recommendation on final disposition	March 20, 2018
Deadline for CenterPoint Energy to request a hearing or respond to intervenor comments and Commission Staff's recommendation on final disposition; or if no disputed issues exist, deadline for parties to file proposed findings of fact, conclusions of law, and ordering paragraphs.	March 27, 2018

Signed at Austin, Texas the $\frac{164}{164}$ day of February 2018.

PUBLIC UTILITY COMMISSION OF TEXAS

JEFFREÝ J. HƯHN ADMINISTRATIVE LAW JUDGE

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³ Commission Staff's Application to Set 2017 Wholesale Transmission Service Charges for the Electric Reliability Council of Texas, Docket No. 46604, Order (Mar. 30, 2017).