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SOAH DOCKET NO. 473-19-3864
PUC DOCKET NO. 49421

APPLICATION OF CENTERPOINT §
ENERGY HOUSTON ELECTRIC, LLC §
FOR AUTHORITY TO CHANGE RATES §

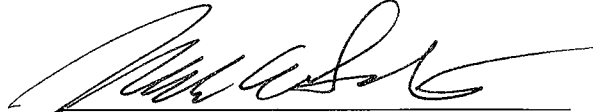
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**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S
AMENDED PROPOSED NOTICE**

On April 5, 2019, CenterPoint Energy Houston Electric, LLC (“CenterPoint Houston”) filed its Statement of Intent and Application for Authority to Change Rates. In the Application, CenterPoint Houston requested that the Public Utility Commission of Texas (“Commission”) approve CenterPoint Houston’s proposed method and form of notice, which CenterPoint Houston attached to its application as Exhibit B.¹ After receiving input from Commission Staff, CenterPoint Houston has amended its proposed notice. The amended proposed notice is attached to this filing as Exhibit A. CenterPoint Houston respectfully requests approval of this amended proposed notice and any other relief to which it is entitled.

Respectfully submitted,



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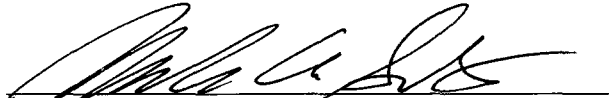
¹ Application of CenterPoint Energy Houston, LLC for Authority to Change Rates at 31 (April 5, 2019).

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**COUNSEL FOR CENTERPOINT ENERGY
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served on all parties of record on April 15, 2019 in accordance with 16 Tex. Admin. Code § 22.74.


Mark Santos

NOTICE OF RATE CHANGE REQUEST

On April 5, 2019, CenterPoint Energy Houston Electric, LLC (“CenterPoint Houston” or the “Company”) filed with the Public Utility Commission of Texas (“Commission”) a Statement of Intent and Application for Authority to Change Rates (“Application”). The Company is filing the Application in compliance with the rate review scheduling requirements under 16 Texas Administrative Code § 25.247(c)(2)(B) and the Company’s commitment to the timing of a rate filing in Project No. 47945, *Proceeding to Investigate and Address the Effects of the Tax Cuts and Jobs Act of 2017 on the Rates of Texas Investor-Owned Utility Companies*. The Application has been assigned Docket No. 49421.

The Application is based on a 12-month test year ending December 31, 2018, as adjusted for known and measurable changes. The Application supports a net increase in retail transmission and distribution rates of approximately \$154 million over adjusted test year revenues, which is an increase of around 7.4%. It also supports an approximately \$6.8 million increase for wholesale transmission service, which is an increase of around 1.8%. If approved and implemented through the Company’s rates for Retail Delivery Service, the impact on a residential customer using 1,000 kilowatt-hours (“kWh”) per month would be an increase of approximately \$2.38 or 5.19% per month. A customer with a retail plan that charges 12.5 cents per kWh would see their rate go to 12.75 cents per kWh, or a 1.91% increase in their total bill. The extent to which these additional charges would be passed on by Retail Electric Providers (“REPs”) is a function of the competitive market. The Company’s proposed effective date of the requested rate change is May 10, 2019.

The Company’s rates and revenues in the Application also reflect the inclusion of a limited-term rider, Rider UEDIT, related to the Tax Cuts and Jobs Act of 2017, which will return approximately \$97 million of unprotected excess accumulated deferred federal income taxes over a period of 3 years. After that period, the increase in retail transmission and distribution rates attributable to the Application would be approximately \$187 million over adjusted test year revenues, which is an increase of about 8.9%. These figures do not take into account any other changes to rates or revenues that may occur during that 3-year period. Changes that might occur during that period include, for example, the Company’s filing related to its Energy Efficiency Cost Recovery Factor, Distribution Cost Recovery Factor, and Transmission Cost Recovery Factor.

CenterPoint Houston proposes to change delivery charges to reflect the revenue

requirement by function as described in its proposed allocation study. The changes by rate class are reflected in the table below.

CURRENT AND PROPOSED CHARGES					
(General Rate Schedules)					
CLASS	Type of Charge	Current Charge	Proposed Charge	Inc. or Dec.	Billing Unit
RESIDENTIAL	Customer	\$1.62	\$2.48	\$0.86	per meter
	Metering	\$3.85	\$1.95	(\$1.90)	per meter
	Transmission	\$0.008439	\$0.015080	\$0.006641	per kWh
	Distribution	\$0.016489	\$0.022680	\$0.006191	per kWh
SECONDARY =<10 Kva (Small)	Customer	\$1.61	\$2.44	\$0.83	per meter
	Metering	\$4.41	\$2.11	(\$2.30)	per meter
	Transmission	\$0.004437	\$0.009020	\$0.004583	per kWh
	Distribution	\$0.012218	\$0.015510	\$0.003292	per kWh
SECONDARY >10 Kva (Large)	Customer				
	NON-IDR	\$2.26	\$3.22	\$0.96	per meter
	IDR	\$65.83	\$48.28	(\$17.55)	per meter
	Metering				
	NON-IDR	\$18.82	\$6.90	(\$11.92)	per meter
	IDR	\$63.07	\$79.91	\$16.84	per meter
	Transmission				
	NON-IDR	\$1.4318	\$2.7140	\$1.28	per NCP Kva
IDR	\$2.2387	\$4.0531	\$1.81	per 4 CP Kva	
Distribution	\$3.059429	\$4.835920	\$1.77649	per Billing Kva	
PRIMARY	Customer				
	NON-IDR	\$3.58	\$4.83	\$1.25	per meter
	IDR	\$76.73	\$61.26	(\$15.47)	per meter
	Metering				
	NON-IDR	\$181.35	\$285.55	\$104.20	per meter
	IDR	\$138.40	\$198.72	\$60.32	per meter
	Transmission				
	NON-IDR	\$1.7033	\$2.7359	\$1.03	per NCP Kva
IDR	\$2.1546	\$3.9405	\$1.79	per 4 CP Kva	
Distribution	\$2.002820	\$2.524110	\$0.52	per Billing Kva	
TRANSMISSION	Customer	\$154.44	\$222.94	\$68.50	per meter
	Metering	\$1,449.82	\$1,456.82	\$7.00	per meter
	Transmission	\$2.1188	\$4.7203	\$2.60	per 4 CP Kva
	Distribution	\$0.463296	\$0.593150	\$0.13	per 4 CP Kva

Revenues by rate class and number of customers are provided below.

CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC SUMMARY OF REVENUES BY RATE CLASS								
Rate Class Description	Number of Customers	Present Revenues ¹	Proposed Revenues	Revenue Change Without Rider UEDIT	Pct Change Without Rider UEDIT	Rider UEDIT	Revenue Change With Rider UEDIT	Pct Change With Rider UEDIT
Residential	2,198,225	\$ 1,130,553,347	\$ 1,217,814,820	\$ 87,261,473	7.7%	\$ (17,253,347)	\$ 70,008,125	6.2%
Secondary <= 10kva	148,123	\$ 32,594,719	\$ 30,607,020	\$ (1,987,699)	-6.1%	\$ (431,501)	\$ (2,419,200)	-7.4%
Secondary > 10Kva	137,862	\$ 654,965,407	\$ 739,867,066	\$ 84,901,659	13.0%	\$ (10,489,328)	\$ 74,412,331	11.4%
Primary	999	\$ 66,701,177	\$ 70,089,549	\$ 3,388,372	5.1%	\$ (992,514)	\$ 2,395,858	3.6%
Transmission	204	\$ 143,211,958	\$ 162,433,957	\$ 19,221,999	13.4%	\$ (2,313,022)	\$ 16,908,977	11.8%
Miscellaneous Lighting	12,698	\$ 3,843,864	\$ 3,126,732	\$ (717,132)	-18.7%	\$ (44,200)	\$ (761,332)	-19.8%
Lighting	5,100	\$ 63,729,997	\$ 58,264,534	\$ (5,465,463)	-8.6%	\$ (834,750)	\$ (6,300,214)	-9.9%
Retail Electric Delivery Revenues	2,503,211	\$ 2,095,600,469	\$ 2,282,203,678	\$ 186,603,209	8.9%	\$ (32,358,663)	\$ 154,244,545	7.4%
Wholesale Transmission Revenue		\$ 388,968,021	\$ 395,796,573	\$ 6,828,552	1.8%		\$ 6,828,552	1.8%
Total Cost of Service		\$ 2,484,568,490	\$ 2,678,000,251	\$ 193,431,761	7.8%	\$ (32,358,663)	\$ 161,073,097	6.5%

¹Test Year revenues have been adjusted to normalize billing units and adjust for DCRF and TCRF

CenterPoint Houston’s proposed tariff for Wholesale Transmission Service includes CenterPoint Houston’s proposed wholesale transmission rate and the terms under which wholesale transmission service will be provided. The Company proposes changes to this tariff to reflect CenterPoint Houston’s current cost of providing this service. The result of the change will update the Company’s wholesale transmission service rate from \$5.781925 per kW to \$5.705672 per kW.

In addition to new rates, CenterPoint Houston requests a prudence determination on all capital investment made in the system since January 1, 2010, the establishment of Rider UEDIT to continue returning to customers approximately \$97 million for the excess deferred federal income tax unprotected balance resulting from the enactment of the Tax Cuts and Jobs Act of 2017, and updated depreciation rates. CenterPoint Houston also seeks permission to install voltage regulation battery assets when necessary and cost-effective situations permit and the amendment of its Facilities Extension Policy to facilitate electric vehicle charging station development.

Additional non-rate changes intended to improve the readability and clarity of the Company’s tariffs are addressed in the direct testimony of Company witness Matthew A. Troxle. The Company is also proposing Rider RCE to recover rate case expenses determined to be reasonable by the Commission in this case. Finally, CenterPoint Houston proposes to update the charges for Discretionary Services to reflect CenterPoint Houston’s current cost of providing such services, including its Non-Standard Metering Service Recurring Fee, of which the Company is

required to notify REPs prior to making any changes. Proposed changes to Discretionary Services charges are identified in Exhibit MAT-6 to the direct testimony of Mr. Troxle.

The Application affects all REPs serving end-use retail electric customers in CenterPoint Houston's certificated service territory and will affect the retail electric customers of those REPs to the extent that the REPs pass along to their customers the charges under the Company's Tariff for Retail Delivery Service. The Application also affects all customers taking service under the Company's Tariff for Wholesale Transmission Service.

Persons with questions or who want more information about the Application may contact CenterPoint Houston at 1111 Louisiana Street, Houston Texas 77002, or by calling Alice Hart at 713-207-5322. In addition, questions may be sent to CEHERATECASE@CenterPointEnergy.com. A complete copy of the filing will be available for inspection at the address listed above and at the Company's offices in Austin, Texas.

Persons who wish to intervene in or comment upon these proceedings should notify the Commission as soon as possible, as an intervention deadline will be imposed. A request to intervene or for further information should be mailed to the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326. Further information may also be obtained by calling the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the Commission at (512) 936-7136. The deadline for intervention in the proceeding is 45 days after the date the application was filed with the Commission. The 45th day after the date CenterPoint Houston filed its application is May 20, 2019.