



Control Number: 49421



Item Number: 715

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August 30, 2019

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PUBLIC UTILITY COMMISSION
FILING CLERK

Hon. Meaghan Bailey
Hon. Steven D. Arnold
Hon. Elizabeth Drews
Administrative Law Judges
State Office of Administrative Hearings
300 West 15th Street
Austin, Texas 78701

Re: SOAH Docket No. 473-19-3864; PUC Docket No. 49421; *Application of CenterPoint Energy Houston Electric, LLC for Authority to Change Rates*

Dear Judges Bailey, Arnold and Drews:

As noted in CenterPoint Energy Houston LLC's ("CenterPoint Houston" or the "Company") Petition for Review of Municipal Ordinances/Resolutions, Motion to Consolidate, and Motion to Admit Evidence filed on August 16, 2019, CenterPoint Houston appealed the decision of the City of Houston denying the Company's rate request, however, CenterPoint Houston had not yet received a copy of the ordinance documenting the denial. CenterPoint Houston has since received a copy of the ordinance from the City of Houston and is providing it to the Commission as Attachment A to this letter. The Company requests that the City of Houston's Ordinance attached to this letter be admitted into evidence as part of CEHE Exhibit No. 123.

Best regards,



Mark A. Santos

Attachment

cc: All Parties of Record

City of Houston, Texas Ordinance No. 2019- 575

AN ORDINANCE RELATING TO THE RETAIL ELECTRIC RATES OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC WITHIN THE CITY OF HOUSTON, TEXAS; DENYING RATE INCREASE REQUEST AND REVISED RATE SCHEDULES AND MAINTAINING CURRENT RATES IN EFFECT; CONTAINING FINDINGS AND OTHER PROVISIONS RELATING TO THE FOREGOING SUBJECT; PROVIDING FOR SEVERABILITY; AND DECLARING AN EMERGENCY.

* * * * *

WHEREAS, on April 5, 2019, CenterPoint Energy Houston Electric, LLC ("CenterPoint") submitted a Statement of Intent and Application for Authority to Change Rates ("Application") within the City of Houston, Texas ("City"), requesting a rate increase, riders, and tariff changes (collectively "New Rates"); and

WHEREAS, the City, as a local regulatory authority, exercises original jurisdiction over the rates, operations and services of CenterPoint for customers located within the City under Section 33.001 of the Public Utility Regulatory Act ("PURA") in the Texas Utilities Code; and

WHEREAS, the New Rates would affect rates, operations or services for CenterPoint retail customers within the City; and

WHEREAS, CenterPoint's proposed New Rates would increase the fixed customer charge for residential customers using 1,000 kWh per month with a retail rate of \$0.125/kWh by (1) \$2.31 per month for the first three years if CenterPoint's proposed refund of excess deferred income taxes collected is included - a 1.84% increase and (2) \$3.03 per month, a 2.42% increase, after the refund expires; and

WHEREAS, on May 8, 2019, City Council adopted Ordinance No. 2019-348 suspending the effective date of the New Rates until August 8, 2019 (the "Suspension Period"); and

WHEREAS, during the Suspension Period, the City participated in the CenterPoint rate case proceedings at the Public Utility Commission of Texas ("PUC") related to rates for CenterPoint's unincorporated area (environs) customers and gathered information from CenterPoint; and

WHEREAS, on May 29, 2019, the City held a public meeting to allow customers in the City of Houston an opportunity to comment on CenterPoint's service and proposed New Rates; and

WHEREAS, on July 17, 2019, City Council held a public hearing (“Public Hearing”) regarding CenterPoint’s Application; and

WHEREAS, the expert utility rate consultants retained to review CenterPoint’s New Rates on behalf of the City have concluded that CenterPoint has not yet demonstrated through its application and testimony that its New Rates are just and reasonable and in compliance with all applicable law; and

WHEREAS, City Council determines that CenterPoint’s rates in effect as of April 5, 2019, (“Current Rates”) are the just and reasonable rates to be observed and to remain in force within the City; and

WHEREAS, City Council anticipates that a denial of the New Rates will be appealed to the PUC; and

WHEREAS, denial of the New Rates would maintain the Current Rates in effect for customers within Houston, Texas until further changed under the Utilities Code by the PUC or by other law; and

WHEREAS, the City Council finds that the public interest will be served by the adoption of an ordinance denying the New Rates, because they promote the adequate and efficient provision of service, are just and reasonable and are in compliance with all applicable law; **NOW, THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:

Section 1. That the facts contained in the preamble of this Ordinance are determined to be true and correct and are hereby adopted as part of this Ordinance.

Section 2. That CenterPoint’s application for New Rates on file with the City is denied in total.

Section 3. That the rates currently in effect as of April 5, 2019, for CenterPoint customers receiving service within the City of Houston, Texas shall remain in effect until further changed under applicable law.

Section 4. If any provision, section, subsection, sentence, clause or phrase of this ordinance, or the application of same to any person or set of circumstances is for any reason held to be invalid, the validity of the remaining portions of this ordinance or their application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this ordinance that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other portion hereof, and all provisions of this ordinance are declared to be severable for that purpose.

Section 5. The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 6. There exists a public emergency requiring that the Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

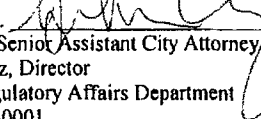
PASSED AND APPROVED this 31st day of July, 2019

APPROVED this 31st day of July, 2019.


Mayor of the City of Houston, Texas

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is _____.

City Secretary

YBC 
Prepared by Legal Dept. Senior Assistant City Attorney
YC/July 16, 2019
Requested by: Tina Paez, Director
Administration and Regulatory Affairs Department
LD File No. 0371900030001

AYE	NO	
✓		MAYOR TURNER
....	COUNCIL MEMBERS
✓		STARDIG
✓		DAVIS
✓		COHEN
ABSENT-ON PERSONAL BUSINESS		BOYKINS
✓		MARTIN
ABSENT DUE TO BEING ILL		LE
✓		TRAVIS
✓		CISNEROS
✓		GALLEGOS
✓		LASTER
✓		CASTEX-TATUM
✓		KNOX
✓		ROBINSON
ABSENT		KUBOSH
✓		EDWARDS
	✓	CHRISTIE
CAPTION	ADOPTED	

CAPTION PUBLISHED IN DAILY COURT
REVIEW DATE, AUG 06 2019