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DeAnn T. Walker
Chairman

Arthur C. D'Andrea
Commissioner

Shelly Botkin
Commissioner

John Paul Urban
Executive Director



Greg Abbott
Governor

Public Utility Commission of Texas

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FILING CLERK

TO: Central Records

FROM: Shelah J. Cisneros
Commission Advising

A handwritten signature in dark ink, appearing to be "SJC", written over the "FROM:" line.

RE: Correspondence related to P.U.C. Docket No. 49421; *Application of CenterPoint Energy Houston Electric, LLC for Authority to Change Rates*

DATE: December 9, 2019

Chairman Walker received the attached correspondence pertaining to the above-styled docket.

Please note that a member or employee of a state agency assigned to render a decision in a contested case may not directly or indirectly communicate in connection with an issue of fact or law with any state agency, person, party, or representative of those entities, except on notice and opportunity for each party to participate. See Administrative Procedures Act, Texas Government Code § 2001.061.

Commission Advising is filing the correspondence. Parties will not be served copies of the attached document, but can access it through the PUC Interchange at <http://interchange.puc.texas.gov/>.

cc: All Parties (without attachment)

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A handwritten number "774" in dark ink, located at the bottom right of the page.

MAYOR
Jim Pappas

CITY OF HUNTERS CREEK VILLAGE

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Fidel Sapien
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Crystal R. Dozier, TRMC

December 5, 2019

Chairman DeAnn T. Walker
Commissioner Arthur C. D'Andrea
Commissioner Shelly Botkin
Public Utility Commission of Texas
1701 N. Congress Avenue
PO Box 13326
Austin, Texas 78711-3326

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

Dear Chairman Walker, Commissioner D'Andrea, and Commissioner Botkin:

As a follow-up to several market analyst reports regarding CenterPoint Energy's pending electric rate case before the Public Utility Commission of Texas (PUC), we would like to express our serious concerns about the importance of the Houston region maintaining a robust utility to ensure the continued investment in infrastructure in order to address our growing needs.

Our role as municipal regulators of the electric utility is to help ensure that our residents receive the best possible electric service at reasonable rates. And, while we participated in this case to provide a balanced perspective, we are deeply concerned by the market's reaction to the PUC's discussion on several key issues which, if adopted in its totality, requires CenterPoint Energy to recover costs below national average and other Texas utilities.

Our concern is shared by analysts who opine that this decision would send a signal that not only the Houston region, but also Texas, is closed for business.

This decision could also have widespread negative consequences for all of us as CenterPoint Energy may not be able to continue investing in our electric system to ensure reliable, resilient service.

Houston has among the strongest demographic trends in the country and Texas is consistently rated as a top state for business. Additionally, Houston-area consumers enjoy reliable service and some of the lowest electric rates in the country. Furthermore, we appreciate CenterPoint Energy's quick actions in restoring service in the face of major storms like Hurricane Harvey.

This level of reliability can continue, only if the PUC allows CenterPoint Energy to remain financially healthy to make investments that keep pace with growth in our great cities and to deploy new technologies to strengthen the reliability and resiliency of the electric grid.

I am hopeful that Houston and Texas can continue to be economic leaders in the future which are supported by Texas' positive qualities including reliable and affordable electricity rates. We urge the PUCT to reconsider their position with a focus on the long-term interests of Houston-area infrastructure needs, reliability, and ensure we are prepared for the future.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jim Pappas", with a stylized flourish at the end.

Jim Pappas, Mayor