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#49421

DeAnn T. Walker
Chairman

Arthur C. D'Andrea Commissioner

Shelly Botkin Commissioner

John Paul Urban Executive Director



Greg Abbott

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TO:

Central Records

FROM:

Shelah J. Cisneros

Commission Advising

RE:

Correspondence related to P.U.C. Docket No. 49421; Application of CenterPoint

Energy Houston Electric, LLC for Authority to Change Rates

DATE:

December 16, 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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Louis R. Rigby

Chairman DeAnn T. Walker Commissioner Arthur C. D'Andrea Commissioner Shelly Botkin Public Utility Commission of Texas 1701 North Congress Avenue Post Office 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 (PUCT), I would like to express my 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 area's growing needs.

My role as part of a municipal regulator of the electric utility is to help ensure that residents receive the best possible electric service at reasonable rates. And, while the City of La Porte participated in this case to provide a balanced perspective, I am deeply concerned by the market's reaction to the PUCT's discussion on several key issues which, if adopted in totality, require CenterPoint Energy to recover costs below the national average and that of other Texas utilities.

My 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 consistent and robust 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 dependable service and some of the lowest electric rates in the country. Furthermore, I 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 PUCT 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 consistency and resiliency of the electric grid.

604 W. Fairmont Parkway La Porte, Texas 77571 (281)470-5021 www.laportetx.gov

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

Sincerely,

Louis R. Ri

Mayor

LRR/lw