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PUBLIC UTILITY COMMISSION
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COMMISSIONER MEMORANDUM

MEETING DATE: October 11, 2019

DATE DELIVERED: October 9, 2019

AGENDA ITEM NO.: 7

CAPTION: Docket No. 49583; SOAH Docket No. 473-19-5243 – Application of CenterPoint Energy Houston Electric, LLC to Adjust its Energy Efficiency Cost Recovery Factor

DESCRIPTION: Chairman Walker Memorandum

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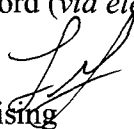


Greg Abbott
Governor

Public Utility Commission of Texas

TO: Chairman DeAnn T. Walker
Commissioner Arthur C. D'Andrea
Commissioner Shelly Botkin

All Parties of Record (*via electronic transmission*)

FROM: Lorenzo Garcia 
Commission Advising

RE: *Application of CenterPoint Energy Houston Electric, LLC to Adjust its Energy Efficiency Cost Recovery Factor, Docket No. 49583, SOAH Docket No. 473-19-5243, Commissioner Memo, October 11, 2019 Open Meeting, Item No. 7.*

DATE: October 9, 2019

Please find enclosed a memorandum by Chairman Walker regarding the above-referenced docket. No other commissioner will file a memorandum in this docket.

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Public Utility Commission of Texas

Memorandum

TO: Commissioner Arthur C. D'Andrea
Commissioner Shelly Botkin

FROM: Chairman DeAnn T. Walker 

DATE: October 9, 2019

RE: Open Meeting of October 11, 2019 – Agenda Item No. 7
Docket No. 49583; SOAH Docket No. 473-19-5243 – *Application of CenterPoint Energy Houston Electric, LLC to Adjust its Energy Efficiency Cost Recovery Factor*

Under 16 TAC § 25.181(u), a utility's *demand goal* must be adjusted to remove any load lost because of industrial customers taking electric service at distribution voltage that file exclusion requests in conformance with the rule. Consequently, the Commission's proposed order addressing adjustments to a utility's demand reduction goal because of industrial customer exclusions (Finding of Fact 64) should address the number of *megawatts* of lost load as an adjustment to CenterPoint Houston's demand goal as calculated under 16 TAC § 25.181(e). Finding of fact 79 in the parties' proposed order filed on August 14, 2019 states that industrial customer exclusions accounted for 129.8 MW of lost load. However, I have been unable to locate the underlying data required to verify this calculation (the megawatts of lost load for each of the years 2014 through 2018, which are the years used to compute the 5-year average annual growth).

In order to properly address this issue in the Commission's order, I request that CenterPoint Houston take the following actions. Prior to the October 11, 2019 open meeting, CenterPoint Houston should file a response indicating where in evidence the value of the megawatts of lost load, as required under 16 TAC § 25.181(u) and the underlying data used calculate this value in accordance with 16 TAC § 25.181(e), may be found. If the value for adjustment to the demand goal due to lost load and the underlying data needed to make this calculation is not in the evidentiary record, CenterPoint Houston should file the information in an admissible form before the October 11, 2019 open meeting.

I also recommend that the Commission make the following changes to the order in this proceeding.

Finding of fact 25 should be modified for clarity.

25. CenterPoint Houston's weather-adjusted average-annual growth in demand for residential and commercial customers for the previous five years (2014 through 2015) is 15,704 MW.

Finding of fact 43 should be modified for accuracy.

43. In the amendment to the application filed on July ~~19~~7, 2019, CenterPoint Houston filed on behalf of the City of Houston the affidavits of Alisa Talley, the city's division manager in its administration and regulatory affairs department, and YuShan Chang, a senior assistant city attorney, to support the reasonableness and necessity of the city's rate-case expenses in Docket No. 48420. Based on their experience, Mss. Talley and Chang together opined that the City of Houston's rate-case expenses of \$17,410 incurred in Docket No. 48420 were reasonable and necessary.

Finding of fact 60 and its related heading should be modified for accuracy.

Energy-Efficiency Plan and Report ~~16 TAC § 25.181(d)(10)~~ 16 TAC § 25.182(d)(10)

60. On ~~April 1, 2019~~May 31, 2019, CenterPoint Houston filed its 2019 energy-efficiency plan and report required by 16 TAC § ~~25.181(d)(10)~~25.182(d)(10), and on ~~May 31, 2019~~June 10, 2019, it filed changes to the plan and report.

Conclusion of law 35 should be modified for accuracy.

35. In accordance with PURA § 36.003(b), ~~SWEP~~CO'sCenterPoint Houston's proposed 2020 EECRF rates are not unreasonably preferential, prejudicial, or discriminatory and are sufficient, equitable, and consistent in application to each consumer class.

Finally, I propose delegating to the Office of Policy and Docket Management staff the authority to modify the order to conform to the *Citation and Style Guide for the Public Utility Commission of Texas* and to make other non-substantive changes to the order for such matters as capitalization, spelling, grammar, punctuation, style, correction of numbering, and readability.

I look forward to discussing this matter with you at the open meeting.