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Received - 2022-11-16 09:44:54 AM Control Number - 53719 ItemNumber - 321

SOAH DOCKET NO. 473-22-04394 PUC DOCKET NO. 53719

ENTERGY TEXAS, INC.'S STATEMENT	§	BEFORE THE STATE OFFICE
OF INTENT AND APPLICATION FOR	§	
AUTHORITY TO CHANGE RATES	§	\mathbf{OF}
	§	
	§	ADMINISTRATIVE HEARINGS

ENTERGY TEXAS, INC.'S SEVENTH PETITION FOR REVIEW OF MUNICIPAL ORDINANCES AND MOTION TO CONSOLIDATE

Pursuant to PURA¹ § 33.051, Entergy Texas, Inc. ("ETI" or the "Company") hereby submits this Seventh Petition for Review of Municipal Ordinances, appealing the decisions adopted by the cities listed in Exhibit A to deny ETI's Statement of Intent and Application for Authority to Change Rates. ETI also moves to consolidate this appeal with the above-captioned proceeding. This Petition is timely because it is filed within 30 days of each City's final decision.² In support of this Petition and Motion, ETI shows the following:

I. JURISDICTION

The Public Utility Commission of Texas ("Commission") has jurisdiction over this Petition and Motion pursuant to PURA §§ 32.001, 33.051, 33.053, 33.054, and 36.001.

II. REQUEST FOR REVIEW AND CONSOLIDATION

On July 1, 2022, ETI filed with the Commission a Statement of Intent and Application to change its electric utility rates ("Application"). ETI concurrently filed the Application with the cities in ETI's service territory that had retained original jurisdiction over ETI's rates within their municipal boundaries. In the ordinances identified in Exhibit A and attached to this Petition as Exhibit B, the Cities declined to approve ETI's requested rate changes.

¹ Public Utility Regulatory Act, Tex. Util. Code §§ 11.001-66.016 ("PURA").

² PURA § 33.053(b).

ETI therefore requests that the Commission exercise its appellate jurisdiction to conduct a *de novo* review of the listed actions denying ETI's Application, consolidate this appeal with Docket No. 53719, and establish the final rates that the cities would have set by approving ETI's Application. This appeal involves issues of law and fact common to those involved in Docket No. 53719. Further, separate hearings on this appeal and Docket No. 53719 would result in unwarranted expense, delay, and substantial injustice.³

III. CONCLUSION

For the foregoing reasons, ETI respectfully requests that the Commission grant this Petition for review of the municipal actions set forth in Exhibit B, Motion to Consolidate, and the relief requested in ETI's Application.

³ See 16 Tex. Admin. Code § 22.34(a).

Dated: November 16, 2022

Respectfully submitted,

BANG.

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ATTORNEYS FOR ENTERGY TEXAS, INC

CERTIFICATE OF SERVICE

I hereby certify that on the 16th day of November 2022, a true and correct copy of the foregoing document was served on all parties of record in this proceeding.

George G. Hoyt

EXHIBIT A LIST OF CITIES AND DATES OF ORDINANCES

Date of Municipal Action	City
October 17, 2022	Dayton
October 18, 2022	Sour Lake
October 20, 2022	Port Neches
October 24, 2022	Navasota
October 25, 2022	Orange

EXHIBIT B CITY ORDINANCES

ORDINANCE NO. 02022-36

AN ORDINANCE BY THE CITY OF DAYTON, TEXAS, DENYING ENTERGY TEXAS, INC.'S STATEMENT OF INTENT AND APPLICATION FOR AUTHORITY TO CHANGE RATES FILED ON JULY 1, 2022; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, on or about July 1, 2022, Entergy Texas, Inc. ("Entergy") filed its Statement of Intent and Application for Authority to Change Rates with the City of <u>Dayton</u> ("City") to increase electric rates in the Entergy Service Area by approximately \$131.4 million per year; and

WHEREAS, Cities have exclusive original jurisdiction over the rates, operations and services of an electric utility in areas in the municipality pursuant to the Public Utility Regulatory Act §33.001(a); and

WHEREAS, Public Utility Regulatory Act § 33.021 requires a local regulatory authority to make a reasonable determination of rate base, expenses, investment and rate of return and retain the necessary personnel to determine reasonable rates; and

WHEREAS, the City of <u>Dayton</u> suspended the effective date of Entergy's rates within its jurisdictional limits until at least November 3, 2022, and hired the Lawton Law Firm, P.C. to review the Entergy's rate change request and proposed tariffs; and

WHEREAS, the expert utility rate consultants retained to review the Entergy's rate increase on behalf of the City proposed adjustments to Entergy's requested profit levels, depreciation recoveries, and other cost of service items, and concluded that Entergy has not justified the need for a rate increase; and

WHEREAS, Entergy has failed to justify increasing the rates previously determined to be reasonable and necessary by this City and other Texas regulatory authorities; and

WHEREAS, the statutory deadline to act on Entergy's rate increase request is November 3, 2022.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF **DAYTON**, TEXAS, THAT:

Section 1. That the statement and findings set out in the preamble to this Ordinance are hereby in all things approved and adopted.

Section 2. The City of <u>Dayton</u> hereby denies the rate increase and proposed tariff revisions requested in Entergy's Statement of Intent.

Section 3. Entergy is hereby Ordered to continue operating under its existing approved rates.

Section 4. The meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 5. This ordinance shall become effective from and after its passage.

PASSED AND APPROVED this 17th day of October, 2022.

Caroline Wadzeck, Mayor

ATTEST:

Jennifer Billings, City Secretary

ORDINANCE NO. 2022-10-01

AN ORDINANCE BY THE CITY OF SOUR LAKE, TEXAS, DENYING ENTERGY TEXAS, INC.'S STATEMENT OF INTENT AND APPLICATION FOR AUTHORITY TO CHANGE RATES FILED ON JULY 1, 2022; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, on or about July 1, 2022, Entergy Texas, Inc. ("Entergy") filed its Statement of Intent and Application for Authority to Change Rates with the City of Sour Lake ("City") to increase electric rates in the Entergy Service Area by approximately \$131.4 million per year; and

WHEREAS, Cities have exclusive original jurisdiction over the rates, operations and services of an electric utility in areas in the municipality pursuant to the Public Utility Regulatory Act §33.001(a); and

WHEREAS, Public Utility Regulatory Act § 33.021 requires a local regulatory authority to make a reasonable determination of rate base, expenses, investment and rate of return and retain the necessary personnel to determine reasonable rates; and

WHEREAS, the City of Sour Lake suspended the effective date of Entergy's rates within its jurisdictional limits until at least November 3, 2022, and hired the Lawton Law Firm, P.C. to review the Entergy's rate change request and proposed tariffs; and

WHEREAS, the expert utility rate consultants retained to review the Entergy's rate increase on behalf of the City proposed adjustments to Entergy's requested profit levels, depreciation recoveries, and other cost of service items, and concluded that Entergy has not justified the need for a rate increase; and

WHEREAS, Entergy has failed to justify increasing the rates previously determined to be reasonable and necessary by this City and other Texas regulatory authorities; and

WHEREAS, the statutory deadline to act on Entergy's rate increase request is November 3, 2022.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SOUR LAKE, TEXAS, THAT:

Section 1. That the statement and findings set out in the preamble to this Ordinance are hereby in all things approved and adopted.

The City of Sour Lake hereby denies the rate increase and proposed Section 2. tariff revisions requested in Entergy's Statement of Intent.

Entergy is hereby Ordered to continue operating under its existing Section 3. approved rates.

The meeting at which this Ordinance was approved was in all things Section 4. conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 5. This ordinance shall become effective from and after its passage.

PASSED AND APPROVED this _____ day of __

Bruce Robinson, Mayor/or

Shannon McDonald, Mayor Pro-

Tem

ATTEST:

Debra Morgan, City Secretary

ORDINANCE NO. 2022-18

AN ORDINANCE BY THE CITY OF PORT NECHES, TEXAS, DENYING ENTERGY TEXAS, INC.'S STATEMENT OF INTENT AND APPLICATION FOR AUTHORITY TO CHANGE RATES FILED ON JULY 1, 2022; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, on or about July 1, 2022, Entergy Texas, Inc. ("Entergy") filed its Statement of Intent and Application for Authority to Change Rates with the City of Port Neches ("City") to increase electric rates in the Entergy Service Area by approximately \$131.4 million per year; and

WHEREAS, Cities have exclusive original jurisdiction over the rates, operations and services of an electric utility in areas in the municipality pursuant to the Public Utility Regulatory Act §33.001(a); and

WHEREAS, Public Utility Regulatory Act § 33.021 requires a local regulatory authority to make a reasonable determination of rate base, expenses, investment and rate of return and retain the necessary personnel to determine reasonable rates; and

WHEREAS, the City of Port Neches suspended the effective date of Entergy's rates within its jurisdictional limits until at least November 3, 2022, and hired the Lawton Law Firm, P.C. to review the Entergy's rate change request and proposed tariffs; and

WHEREAS, the expert utility rate consultants retained to review the Entergy's rate increase on behalf of the City proposed adjustments to Entergy's requested profit levels, depreciation recoveries, and other cost of service items, and concluded that Entergy has not justified the need for a rate increase; and

WHEREAS, Entergy has failed to justify increasing the rates previously determined to be reasonable and necessary by this City and other Texas regulatory authorities; and

WHEREAS, the statutory deadline to act on Entergy's rate increase request is November 3, 2022.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT NECHES, TEXAS, THAT:

- Section 1. That the statement and findings set out in the preamble to this Ordinance are hereby in all things approved and adopted.
- Section 2. The City of Port Neches hereby denies the rate increase and proposed tariff revisions requested in Entergy's Statement of Intent.

Section 3. Entergy is hereby Ordered to continue operating under its existing approved rates.

Section 4. The meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 5. This ordinance shall become effective from and after its passage.

PASSED AND APPROVED by unanimous vote of the City Council of the City of Port Neches, Texas, on this 20^{th} day of October, 2022.

THE CITY OF PORT NECHES, TEXAS

Glenn Johnson, Mayor

ATTEST:

Holly Alexander, City Secretary

APPROVED AS TO FORM:

Lance Bradley, City Attorney

ORDINANCE NO. 1009-22

AN ORDINANCE BY THE CITY OF NAVASOTA, TEXAS, DENYING ENTERGY TEXAS, INC.'S STATEMENT OF INTENT AND APPLICATION FOR AUTHORITY TO CHANGE RATES FILED ON JULY 1, 2022; FINDING THAT THE MEETINGS COMPLY WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, on or about July 1, 2022, Entergy Texas, Inc. ("Entergy") filed its Statement of Intent and Application for Authority to Change Rates with the City of Navasota ("City") to increase electric rates in the Entergy Service Area by approximately \$131.4 million per year; and

WHEREAS, Cities have exclusive original jurisdiction over the rates, operations and services of an electric utility in areas in the municipality pursuant to the Public Utility Regulatory Act §33.001(a); and

WHEREAS, Public Utility Regulatory Act § 33.021 requires a local regulatory authority to make a reasonable determination of rate base, expenses, investment and rate of return and retain the necessary personnel to determine reasonable rates; and

WHEREAS, the City of Navasota suspended the effective date of Entergy's rates within its jurisdictional limits until at least November 3, 2022, and hired the Lawton Law Firm, P.C. to review the Entergy's rate change request and proposed tariffs; and

WHEREAS, the expert utility rate consultants retained to review the Entergy's rate increase on behalf of the City proposed adjustments to Entergy's requested profit levels, depreciation recoveries, and other cost of service items, and concluded that Entergy has not justified the need for a rate increase; and

WHEREAS, Entergy has failed to justify increasing the rates previously determined to be reasonable and necessary by this City and other Texas regulatory authorities; and

WHEREAS, the statutory deadline to act on Entergy's rate increase request is November 3, 2022.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NAVASOTA, TEXAS, THAT:

- **Section 1.** That the statement and findings set out in the preamble to this Ordinance are hereby in all things approved and adopted.
- **Section 2.** The City of Navasota hereby denies the rate increase and proposed tariff revisions requested in Entergy's Statement of Intent.
- **Section 3.** Entergy is hereby Ordered to continue operating under its existing approved rates.
- **Section 4.** The meetings at which this Ordinance were approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
- **Section 5.** This Ordinance shall become effective from and after its passage.

PASSED AND APPROVED THIS THE 10TH DAY OF OCTOBER, 2022.

BERT MILLER, MAYOR

ATTEST:

SUSIE M. HOMEYER, CITY SECRETARY

PASSED AND APPROVED THIS THE 24TH DAY OF OCTOBER, 2022.

BERT MILLER, MAYOR

ATTEST:

SUSTEM, HOMEYER, CITY SECRETARY

ordinance no. 2022-25

AN ORDINANCE BY THE CITY OF ORANGE, TEXAS, DENYING ENTERGY TEXAS, INC.'S STATEMENT OF INTENT AND APPLICATION FOR AUTHORITY TO CHANGE RATES FILED ON JULY 1, 2022; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, on or about July 1, 2022, Entergy Texas, Inc. ("Entergy") filed its Statement of Intent and Application for Authority to Change Rates with the City of Orange ("City") to increase electric rates in the Entergy Service Area by approximately \$131.4 million per year; and

WHEREAS, Cities have exclusive original jurisdiction over the rates, operations and services of an electric utility in areas in the municipality pursuant to the Public Utility Regulatory Act §33.001(a); and

WHEREAS, Public Utility Regulatory Act § 33.021 requires a local regulatory authority to make a reasonable determination of rate base, expenses, investment and rate of return and retain the necessary personnel to determine reasonable rates; and

WHEREAS, the City of Orange suspended the effective date of Entergy's rates within its jurisdictional limits until at least November 3, 2022, and hired the Lawton Law Firm, P.C. to review the Entergy's rate change request and proposed tariffs; and

WHEREAS, the expert utility rate consultants retained to review the Entergy's rate increase on behalf of the City proposed adjustments to Entergy's requested profit levels, depreciation recoveries, and other cost of service items, and concluded that Entergy has not justified the need for a rate increase; and

WHEREAS, Entergy has failed to justify increasing the rates previously determined to be reasonable and necessary by this City and other Texas regulatory authorities; and

WHEREAS, the statutory deadline to act on Entergy's rate increase request is November 3, 2022.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ORANGE, TEXAS, THAT:

Section 1. That the statement and findings set out in the preamble to this Ordinance are hereby in all things approved and adopted.

- Section 2. The City of Orange hereby denies the rate increase and proposed tariff revisions requested in Entergy's Statement of Intent.
- Section 3. Entergy is hereby Ordered to continue operating under its existing approved rates.
- Section 4. The meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
 - Section 5. This ordinance shall become effective from and after its passage.

PASSED and APPROVED on the first reading this 11th day of October, 2022.

PASSED, APPROVED and ADOPTED on the final reading this 25th day of October, 2022.

Larry Spears Jr., Mayor

ATTEST:

Jennifer Pool, Deputy City Secretary

APPROVED AS TO FORM:

City Attorney