

Filing Receipt

Received - 2022-11-29 02:26:41 PM Control Number - 53719 ItemNumber - 389

# 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 NINTH PETITION FOR REVIEW OF MUNICIPAL ORDINANCES AND MOTION TO CONSOLIDATE

Pursuant to PURA<sup>1</sup> § 33.051, Entergy Texas, Inc. ("ETI" or the "Company") hereby submits this Ninth 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.<sup>2</sup> 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

<sup>&</sup>lt;sup>1</sup> Public Utility Regulatory Act, Tex. Util. Code §§ 11.001-66.016 ("PURA").

<sup>&</sup>lt;sup>2</sup> While ETI endeavors to file each ordinance within 30 days in accordance with PURA § 33.053(b), ETI is including with this petition ordinances from the City of Anahuac issued on October 11, 2022 and Bridge City issued on October 18, 2022. ETI received both of these ordinances on November 29, 2022 and has filed them as expediently as possible.

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.

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.<sup>3</sup>

# 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.

<sup>&</sup>lt;sup>3</sup> See 16 Tex. Admin. Code § 22.34(a).

Dated: November 29, 2022

# Respectfully submitted,

BANG.

George G. Hoyt, SBN: 24049270

Laura B. Kennedy

Kristen Yates

Entergy Services, LLC

919 Congress Avenue, Suite 701

Austin, Texas 78701

(512) 487-3945

(512) 487-3958 (fax)

ghoyt90@entergy.com

lkenn95@entergy.com

kyates1@entergy.com

Lino Mendiola III

Michael A. Boldt

Cathy Garza

EVERSHEDS SUTHERLAND (US) LLP

600 Congress Avenue, Suite 2000

Austin, Texas 78701

(512) 721-2700

(512) 721-2656 (fax)

linomendiola@eversheds-sutherland.com michealbolt@eversheds-sutherland.com cathygarza@eversheds-sutherland.com

Scott R. Olson

Patrick Pearsall

Stephanie Green

DUGGINS WREN MANN & ROMERO, LLP

600 Congress, Suite 1900

Austin, Texas 78701

(512) 744-9300

(512) 744-9399 (fax)

solson@dwmrlaw.com

ppearsall@dwmrlaw.com

sgreen@dwmrlaw.com

ATTORNEYS FOR ENTERGY TEXAS, INC

# **CERTIFICATE OF SERVICE**

I hereby certify that on the 29<sup>th</sup> 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 11, 2022	Anahuac
October 18, 2022	Bridge City

# EXHIBIT B CITY ORDINANCES

### **ORDINANCE NO. 2022-10-01**

AN ORDINANCE BY THE CITY OF ANAHUAC, 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 Anahuac ("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 Anahuac 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 ANAHUAC, 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 Anahuac 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 11th day of OCTOBER, 2022.

Danny Thompson, Mayor

ATTEST:

Julie Harvill, City Secretary

# ORDINANCE NO. 2022-16

AN ORDINANCE BY THE CITY OF CITY—OF BRIDGE CITY, 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 Bridge 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 Bridge City 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 BRIDGE CITY, 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.

Exhibit B Docket No. 53719 Page 4 of 4

Section 2. The City of Bridge City 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 18th day of October, 2022.

DAVID RUTLEDGE, MAY

ATTEST:

JENNE MCDOWELL, CITY SECRETARY

COTY OF COTTY OF COTY OT COTY OF COTY OF COTY OT COTY OF COTY OT COTY