

# Filing Receipt

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

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## ENTERGY TEXAS, INC.'S STATEMENT OF INTENT AND APPLICATION FOR AUTHORITY TO CHANGE RATES

## BEFORE THE STATE OFFICE OF

ADMINISTRATIVE HEARINGS

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

Pursuant to PURA<sup>1</sup> § 33.051, Entergy Texas, Inc. ("ETF" or the "Company") hereby submits this Fifteenth 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 Montgomery issued on October 11, 2022 and City of Conroe issued on October 13, 2022. ETI received both of these ordinances on January 31, 2023 and has filed it 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: February 7, 2023

Respectfully submitted,

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## ATTORNEYS FOR ENTERGY TEXAS, INC

## **CERTIFICATE OF SERVICE**

I hereby certify that on the 7<sup>th</sup> day of February 2023, 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	Montgomery
October 13, 2022	Conroe
January 25, 2023	Shenandoah

EXHIBIT B

**CITY ORDINANCES** 

## ORDINANCE NO. 2022-25

AN ORDINANCE BY THE CITY OF MONTGOMERY, 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 Montgomery ("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 Montgomery 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 MONTGOMERY, 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 Montgomery hereby denies the rate increase and proposed tariff revisions requested in Entergy's Statement of Intent.

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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.

Byron Sanford, Mayor

ATTEST:

Nici Browe, City Secretary & Director of Administrative Services TRMC

## CERTIFICATE FOR ORDINANCE

I.

On the 13<sup>th</sup> day of October, 2022, the City Council of the City of Conroe, Texas, consisting of the following qualified members, to-wit: Jody Czajkoski, Mayor; Curt Maddux, Mayor Pro Tem; Council Members Todd Yancey, Harry Hardman, Howard Wood, and Marsha Porter did convene in public session in the Council Chamber of the City Hall at 300 West Davis in Conroe, Texas. The roll being first called, a quorum was established, all members being present. The Meeting was open to the public and public notice of the time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

## II.

WHEREUPON, AMONG OTHER BUSINESS transacted, the Council considered adoption of the following written Ordinance, to-wit:

## ORDINANCE NO. 2644-22

AN ORDINANCE BY THE CITY OF CONROE, TEXAS ("CITY") 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.

## III.

Upon motion of Council Member Porter, seconded by Mayor Pro Tem Maddux, all members present voted for adoption of the Ordinance, except the following: No one voted against and no one abstained. A majority of those Council Members present having voted for adoption, the presiding officer declared the Ordinance passed and adopted.

## IV.

A true, full and correct copy of the Ordinance adopted at the Meeting is attached to and follows this Certificate.

SIGNED AND SEALED this 13th day of October, 2022.

Ø)M. GORJON, City

## ORDINANCE NO. 2644-22

AN ORDINANCE BY THE CITY OF CONROE, TEXAS ("CITY") 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 Conroe ("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 Conroe 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 CONROE, TEXAS:

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 Conroe 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 the 13th day of October, 2022.

ZAJKOŚKI, MAYOR IOHN ATTEST: SOC M. GORJON, City Secretary

APPROXED, \$ TO FORM: GARY A. SCOTT, City Attorney

## ORDINANCE NO. O-23-001

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF SHENANDOAH, TEXAS, (or "City") DECLINING TO APPROVE THE CHANGE IN RATES REQUESTED IN ENTERGY TEXAS, INC.'S ("ETI" OR "COMPANY") STATEMENT OF INTENT FILED WITH THE CITY ON JULY 1, 2022 AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE WAS CONSIDERED WAS OPEN TO THE PUBLIC AND IN ACCORDANCE WITH TEXAS LAW.

WHEREAS, ETI filed with the City its Statement of Intent and Application of Entergy Texas, Inc. for Authority to Change Rates ("Statement of Intent");

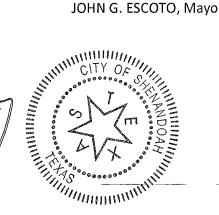
WHEREAS, the City has duly noticed its consideration of the Company's Statement of Intent and is acting within its authority under applicable law;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF SHENANDOAH, TEXAS THAT the City DECLINES to approve any and all changes in rates requested by ETI and included in ETI's Statement of Intent and that ETI's proposed new rates should not be made effective.

**PASSED, APPROVED AND ADOPTED** this the 25<sup>th</sup> day of January, 2023.

CITY OF SHENANDOAH, TEXAS

JOHN G. ESCOTO, Mayor



⊌RTNEY CLAR∦, City Secretary

APPROVED AS TO FORM:

ATTEST:

WILLIAM C. FEREBEE, City Attorney