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BEFORE THE
STATE OFFICE OF ADMINISTRATIVE
HEARINGS

APPLICATION OF CENTERPOINT ENERGY HOUSTON
ELECTRIC, LLC FOR AUTHORITY TO CHANGE RATES

SOAH ORDER NO. 1
FILING DESCRIPTION; JURISDICTION; SUFFICIENCY OF
APPLICATION AND NOTICE; EFFECTIVE DATE AND PENDING
MOTIONS TO INTERVENE; SCHEDULING PREHEARING CONFERENCE;
ADOPTING PROTECTIVE ORDER; AND GENERAL PROCEDURES

I. FILING DESCRIPTION

On March 6, 2024, CenterPoint Energy Houston Electric, LLC (CenterPoint Houston or the Company) filed an application (Application) with the Public Utility Commission of Texas (Commission) requesting authority to change rates. CenterPoint Houston requests approval for a base rate increase of

approximately \$17 million for service to retail customers¹ and approximately \$43 million for wholesale transmission service based on a test year ending December 31, 2023. The Company asserts its requested change to its retail transmission and distribution rates represents an approximate 1% increase and that its request to wholesale transmission service represents an approximate 6.6% increase.

Further, the Company requests: (1) a prudency determination on all capital investments made from January 1, 2019, through December 31, 2023; (2) approval of various revisions to its Tariff for Retail Delivery Service and Tariff for Wholesale Transmission Service; and (3) recovery of all reasonable and necessary rate case expenses incurred by the Company and by any intervening city awarded such recovery in this proceeding, as well as any such rate case expenses deferred from prior rate proceedings.

II. JURISDICTION

The Commission referred this case to the State Office of Administrative Hearings (SOAH) on March 7, 2024, requesting the assignment of an Administrative Law Judge (ALJ) to conduct a hearing and issue a proposal for decision (PFD), if necessary. In its referral order, the Commission set a March 21, 2024 deadline for filing lists of issues to be addressed in this proceeding and stated that it will consider and adopt a preliminary order at a future open meeting.

¹ The Company states its requested base rate increase for service to retail customers excludes certain Transmission Cost Recovery Factor (TCRF) and rate case expenses.

The Commission has jurisdiction over this proceeding pursuant to PURA² §§ 14.001, 32.001, 33.002, 35.004, and 36.001. SOAH has jurisdiction over all matters relating to the conduct of the hearing in this proceeding pursuant to PURA § 14.053 and Texas Government Code § 2003.049.

III. SUFFICIENCY OF APPLICATION AND NOTICE

By March 14, 2024, Commission staff shall provide a recommendation on the sufficiency of the notice of the Application, and any party may file an objection to the proposed notice.

Any objection to the sufficiency of the Application shall be filed no later than March 28, 2024. CenterPoint Houston shall respond to any such motion within five working days.³

IV. EFFECTIVE DATE AND MOTIONS TO INTERVENE

The Company proposed April 10, 2024, as the effective date for its requested rates. The April 10, 2024 effective date is suspended for 150 days to allow sufficient time for a final determination of the Application.⁴ **Accordingly, the effective date for CenterPoint Houston's requested rates is September 9, 2022.**⁵

² Public Utility Regulatory Act (PURA), Tex. Util. Code §§ 11.001-66.016.

³ 16 Tex. Admin. Code § 22.75(c)(1).

⁴ 16 Tex. Admin. Code § 22.33(c).

⁵ 16 Tex. Admin. Code § 22.4(b).

All pending motions to intervene and any other motions filed by 1:00 p.m. on March 18, 2024, will be addressed at the prehearing conference scheduled below.

V. SCHEDULING PREHEARING CONFERENCE

A prehearing will convene at **9:00 a.m. (CT) on March 19, 2024**, remotely via Zoom videoconference. The parties may attend the prehearing conference in one of these ways:

Computer or smart device:

Go to <https://soah-texas.zoomgov.com>
and enter the following:

Meeting ID: 161 603 1755

Video Passcode: PUC232

Telephone (audio only):

Call +1 669 254 5252, and then enter
the following:

Meeting ID: 161 603 1755

Telephone Passcode: 070209

The purpose of the prehearing conference, is to discuss the following matters:

1. All pending motions filed by 1:00 p.m. on March 18, 2024;
2. A procedural schedule, including a date for the hearing on the merits that will enable the Commission to make a final decision by September 9, 2024, or, in the alternative, a subsequent date should the Company agree to waive the statutory deadline; and
3. Any other matter that may assist in the disposition of this case in a fair and efficient manner.

In developing a proposed procedural schedule, the parties shall anticipate a record close date that ensures the ALJs will have 60 days to write and issue the

proposal for decision.⁶ In addition, the parties must account for two weeks for exceptions and replies after the PFD has been issued. The parties shall also endeavor to provide the Commission with three weeks to consider and discuss the PFD at an open meeting and issue a final order.

VI. ADOPTING PROTECTIVE ORDER

CenterPoint Houston requests entry of the proposed protective order included in Section VII of the Application to govern the use and maintenance of certain documents designated as either Protected Material or Highly Sensitive Protected Material in this proceeding. CenterPoint Houston notes its proposed protective order is the Commission's protective order which was previously approved in the Company's prior base rate proceeding and each of the Company's prior Distribution Cost Recovery Factor proceedings.

The Company's proposed protective order is **ADOPTED** and applicable to this docket.⁷ Any objections to the form of the adopted protective order must be filed **no later than five working days** after the date of this order.

VII. GENERAL PROCEDURES

All Commission filings are available for viewing and downloading from the Commission's Interchange available at <http://interchange.puc.texas.gov/>, by

⁶ The record close date is the date the parties' final post-hearing briefs or proposed findings of fact, conclusions of law, and proposed ordering provisions are due, whichever is later. 1 Tex. Admin. Code § 155.425(c).

⁷ Application of CenterPoint Energy Houston Electric, LLC for Authority to Change Rates at 4405-24 (Protective Order).

entering the control number 56211 and selecting the “search” tab. A list of documents filed in this docket will appear, which can be accessed by clicking on the document number (with a few exceptions such as confidential documents, if any). The Commission’s procedural rules are available on the Commission’s website (<https://www.puc.texas.gov/agency/rulesnlaws/procrules/procedural.aspx>). The procedural rules will govern the conduct of these proceedings, and the parties are expected to comply with those rules.

Routine procedural and logistical questions may be directed to the ALJs’ administrative assistant Tujuana Tate at tujuana.tate@soah.texas.gov. SOAH support personnel may not provide advice or interpret law or orders for the parties.

Except as modified by orders issued in this proceeding or by the Commission or SOAH, the Commission’s procedural rules govern. The parties should review the Commission and SOAH websites as needed for updates regarding any such modifications.

A. FILING AND SERVICE

Filing of pleadings is governed by Rule 22.71 and service is governed by Rule 22.74. However, under the Commission’s Second Order entered in Docket No. 50664, all parties must file any pleading or document with the Commission solely through the Interchange on the Commission’s website (<https://interchange.puc.texas.gov/filer>) and provide notice, by e-mail, to all other parties that the pleading or document has been filed with the Commission, unless

otherwise ordered. It will be incumbent upon all other parties to obtain a copy of the pleading or document by accessing the Interchange. **Filings should not be made at SOAH. All filings must contain both the applicable SOAH and PUC docket numbers.**

When a party files a document with the Commission, that party is also required to serve (i.e., provide a copy of that document to) every other party. At this time, service must be accomplished by e-mail. Any party to this proceeding who has not previously provided an e-mail address **SHALL file a notice informing the parties of the e-mail address to be used for service no later than seven days after the date of this order.**

B. MOTIONS

Motions for continuance are governed by Rule 22.79. If a continuance or extension of time is sought, the motion shall propose a range of new dates and state whether the other parties agree. The ALJs will not contact parties to ascertain their position or to negotiate dates. In the absence of a ruling by the ALJs, a contested motion for continuance or extension is not granted and the existing schedule remains in place.

Unless otherwise specified in the applicable procedural rules, responses to any motion or other pleading shall be filed within five working days from receipt of the motion or pleading. The response shall state the date of receipt of the motion or pleading to which a response is made. If a party does not respond to a motion, the

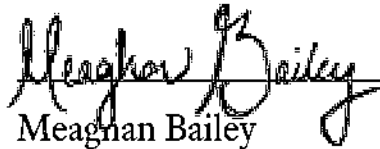
ALJs will assume that the party agrees with the motion or does not oppose the requested relief.

C. DISCOVERY

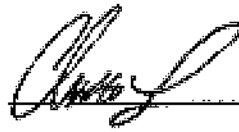
Discovery may begin immediately. Copies of requests for information (RFIs) and objections and responses to RFIs will not be provided to the ALJs. If a party files a motion to compel responses to discovery, the motion shall include every RFI and objection to which the motion applies. Any affidavits supporting an objection, motion to compel, or response shall be attached to the relevant document. The ALJs will resolve discovery disputes based on the written documents, any sworn affidavits attached thereto, and materials, if any, provided for in camera inspection, unless the ALJs conclude that a prehearing conference on the discovery dispute should be held.

If a party seeks in camera review of documents in accordance with Rule 22.144(g), it will submit the documents to the ALJs at SOAH. Documents submitted for review should not be filed with the Commission filing clerk. If they are filed with the Commission filing clerk, even inadvertently, the documents may not be physically removed from the Commission. Further, any claim to privilege or exemption may be waived by the filing.

SIGNED March 7, 2024

A handwritten signature in cursive script, reading "Meaghan Bailey", written over a horizontal line.

Meaghan Bailey
Administrative Law Judge

A handwritten signature in cursive script, reading "Christiaan Siano", written over a horizontal line.

Christiaan Siano
Administrative Law Judge