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September 11, 2024

VIA E-FILING

Chairman Thomas J. Gleeson Commissioner Lori Cobos Commissioner Jimmy Glotfelty Commissioner Kathleen Jackson Commissioner Courtney K. Hjaltman

Public Utility Commission of Texas 1701 N. Congress Avenue Austin, TX 78701

Re: Docket No. 56211, Application of CenterPoint Energy Houston Electric, LLC for Authority to Change Rates; Docket No. 55977, Year-End 2023 Electric Utility Earnings Reports in Accordance with 16 TAC § 25.73

Dear Commissioners:

On September 6, 2024, CenterPoint Energy Houston Electric, LLC (CenterPoint or Company) filed its 2023 Earnings Monitoring Report (EMR) in Docket No. 55977. Gulf Coast Coalition of Cities, Texas Coast Utilities Coalition, Houston Coalition of Cities, and Texas Consumer Association file this joint letter in response to CenterPoint's EMR.

CenterPoint purposely filed its EMR while the Company's Appeal of State Office of Administrative Hearings (SOAH) Order No. 14 (Appeal) in Docket No. 56211 is pending. CenterPoint's EMR is an obvious attempt to influence the Commission's decision on the Appeal. CenterPoint's EMR, including the Company's comments in the cover letter, should be given no weight on the issues before the Commission in the Appeal. The Appeal relates to whether CenterPoint has demonstrated good cause to justify an exception to the statutory and regulatory requirements regarding the timing of utility rate cases. This Commission has already determined that the deadline for filing the Company's current rate case was not flexible (even with unanimous agreement of the parties to the Stipulation that provided the filing deadline).

Moreover, the information CenterPoint inappropriately seeks to present to the Commission through a totally unrelated docket does not demonstrate that the Company is underearning because it fails to provide a complete and accurate picture of the Company's overall revenues and expenses. The only complete and accurate picture is presented in Docket No. 56211. The EMR is not a substitute for a rate case. Rather, EMRs are an initial tool to assist the Commission in determining when a comprehensive review is necessary. Fortunately, CenterPoint already has a comprehensive application on file that has been under review for more than four months.

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CenterPoint had every opportunity to present the data in the EMR in its pending rate case. All of the evidence regarding its revenues and costs has been presented, examined, and addressed. The overwhelming evidence, as reflected in the recommendations of the intervenors and Commission Staff, supports a significant rate decrease.

CenterPoint's EMR should in no way influence consideration of the Appeal. The Commission should expeditiously deny the Appeal and allow the abatement to remain in effect while the parties continue settlement negotiations to hopefully resolve the case. In the event the Commission elects to grant the Appeal, it should instruct SOAH to conduct a hearing to determine what interim rates should be put in place until CenterPoint's next rate case.

Sincerely,

Thomas L. Brocato Christopher L. Brewster Roslyn M. Dubberstein **Counsel for Gulf Coast Coalition of Cities**

/s/ Sergio E. Herrera

Alfred R. Herrera Sergio E. Herrera **Counsel for Texas Coast Utilities Coalition**

/s/ Alton J. Hall, Jr.____

Alton J. Hall, Jr. Anam R. Fazli Steven T. Moritz **Counsel for Houston Coalition of Cities** *and* Arturo G. Michel YuShan Chang **Counsel for City of Houston**

President - Texas Consumer Association

<u>/s/ Sandra Haverlah</u> Sandra Haverlah

cc: All Parties in Docket No. 56211

TI/B/exr

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