



## **Filing Receipt**

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**Control Number - 57271**

**Item Number - 6**

**BEFORE THE  
STATE OFFICE OF ADMINISTRATIVE  
HEARINGS**

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**APPLICATION OF CENTERPOINT ENERGY HOUSTON  
ELECTRIC, LLC FOR DETERMINATION OF SYSTEM  
RESTORATION COSTS**

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**SOAH ORDER NO. 1  
PROJECT DESCRIPTION; JURISDICTION; NOTICE AND SUFFICIENCY  
OF APPLICATION; STATUTORY DEADLINE AND PROCEDURAL  
SCHEDULE; SETTING PREHEARING CONFERENCE;  
AND GENERAL PROCEDURAL REQUIREMENTS**

**I. FILING DESCRIPTION**

On November 8, 2024, CenterPoint Energy Houston Electric, LLC (CenterPoint) filed an application (Application) with the Public Utility Commission of Texas (PUC or Commission) requesting a determination that its system restoration costs (SRCs) associated with two storm events taking place in May of 2024 are reasonable and necessary and eligible for recovery. CenterPoint seeks to recover approximately \$418 million in SRCs incurred through September 30, 2024,

plus \$45 million in costs estimated to be incurred after that date. In this proceeding, CenterPoint requests entry of a Commission order: (1) determining that the incurred and estimated costs were reasonable and necessary; (2) approving authorization for CenterPoint to recover carrying charges on the cost of system restoration; and (3) approving the manner in which the SRCs will be functionalized and allocated.

## **II. JURISDICTION**

The Commission referred this case to the State Office of Administrative Hearings (SOAH) on November 15, 2024, requesting the assignment of an Administrative Law Judge (ALJ) to conduct a hearing and issue a proposal for decision (PFD), if necessary. SOAH has jurisdiction over matters relating to the conduct of the hearing in this proceeding pursuant to Texas Government Code § 2003.049. The Commission set a deadline of November 25, 2024, for filing a list of issues to be addressed in this proceeding and stated it will consider and possibly adopt a preliminary order at its December 12, 2024 open meeting.

The Commission has jurisdiction over this proceeding under PURA<sup>1</sup> §§ 14.001, 31.001, 32.001, and 36.401-.406. SOAH has jurisdiction over all matters relating to conducting the hearing in this proceeding pursuant to Texas Government Code § 2003.049.

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<sup>1</sup> Public Utility Regulatory Act, Tex. Util. Code §§ 11.001-66.016.

### **III. SUFFICIENCY OF APPLICATION AND NOTICE**

By **December 6, 2024**, Commission staff shall, and any other party may, provide a recommendation on the sufficiency of CenterPoint's application and notice. CenterPoint shall respond to any objections by **December 13, 2024**.

### **IV. STATUTORY DEADLINE**

PURA § 36.405(c) states that the Commission must issue an order determining the amount of system restoration costs eligible for recovery and securitization not later than the 150th day after the date an electric utility files its application. Under this provision, the deadline for a Commission order in this case is April 7, 2025.<sup>2</sup>

### **V. PREHEARING CONFERENCE**

A prehearing conference will convene on **December 2, 2024, at 1:00 p.m. (CT) via Zoom videoconference**. The parties may attend the prehearing conference in one of these ways:

Join by computer or smart device:

<https://soah-texas.zoomgov.com> and enter:

Meeting ID: 160 501 2940

Video Passcode: PUC323

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<sup>2</sup> This date is calculated using the date the Commission's Interchange shows CenterPoint's Application was filed, which is November 8, 2024.

Join by telephone (audio only):

Call +1 669 254 5252, and enter:

Meeting ID: 160 501 2940

Telephone Passcode: 811612

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

1. Any pending motions filed by **November 26, 2024**;
2. A procedural schedule, including deadlines for discovery, dispositive motions, prefiled testimony, prefilings of parties' exhibits and witness lists, a date for the hearing on the merits, and deadlines for parties' post-hearing briefing; and
3. Any other matters that may assist in the disposition of this case in a fair and efficient manner.

Prior to the prehearing conference, the parties **SHALL** confer and seek to agree on a procedural schedule. If, before the prehearing conference, the parties file an agreed procedural schedule that fully complies with this order, including agreement about the statutory deadline, they may file an agreed motion to cancel the prehearing conference, which the ALJ would rule on in an order. In developing a proposed procedural schedule, the parties shall include a record close date that ensures the ALJ has 60 days after the record close date to write and issue the PFD.<sup>3</sup> Additionally, the procedural schedule must allow enough time after issuance of the PFD for filing of exceptions and replies to exceptions and Commission consideration of these filings.

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<sup>3</sup> The record close date is the last date a post-hearing brief or proposed findings of fact, conclusions of law, and ordering paragraphs are filed.

## VI. PROCEDURES

Except as modified by the Commission or SOAH, the Commission's procedural rules will govern the conduct of this case, and the parties are expected to comply with those rules. The Commission's procedural rules are available at: <https://www.puc.texas.gov/agency/rulesnlaws/procrules/Procedural.aspx>.

### A. FILING DOCUMENTS

The Commission is currently only accepting filings made online through the Commission's Interchange e-file system at <https://interchange.puc.texas.gov/filer>.<sup>4</sup> To make an online filing, the Commission's e-filing system requires you to enter the Commission's "control number" (i.e., docket number), which is **57271** for this case. All filings must contain both the SOAH and Commission docket numbers.

### B. SERVICE OF FILED DOCUMENTS ON ALL PARTIES

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.**<sup>5</sup> Any party to this proceeding who has not previously provided an e-mail address **SHALL, no later than seven days after the date of this Order**, file a notice informing the parties of the e-mail address to be used for service.

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<sup>4</sup> See *Issues Related to the State of Disaster for the Coronavirus Disease 2019*, Docket No. 50664, Second Order Suspending Rules (July 16, 2020), available at: [http://interchange.puc.texas.gov/Documents/50664\\_205\\_1075813.PDF](http://interchange.puc.texas.gov/Documents/50664_205_1075813.PDF).

<sup>5</sup> See 16 Tex. Admin. Code § 22.74(c).

SOAH's orders must also be provided to, or served on, the parties. Parties will be served with SOAH's orders electronically at the e-mail address they provide.

Only one address per party will be included on the official service list maintained by SOAH pursuant to 16 Texas Administrative Code § 22.74(b). Corrections to the service list should be directed to the ALJ's legal secretary, Tujuana Tate, by email at [tujuana.tate@soah.texas.gov](mailto:tujuana.tate@soah.texas.gov).

### **C. RESPONSES TO MOTIONS AND OTHER PLEADINGS**

Unless otherwise specified, responses to any motion or other pleading shall be filed within **five working days** from receipt of the pleading to which the response is made. Such responsive pleadings shall state the date of receipt of the pleading to which a response is made. Failure to file a timely response will be considered acquiescence to the relief requested.

### **D. DISCOVERY**

Discovery may begin immediately pursuant to Subchapter H of the Commission's procedural rules. All discovery requests and responses shall be filed with the Commission.

**Signed November 18, 2024**



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Meitra Farhadi  
Presiding Administrative Law Judge