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DOCKET NO. 57559

APPLICATION OF CENTERPOINT	§	PUBLIC UTILITY COMMISSION
ENERGY HOUSTON ELECTRIC, LLC	§	
FOR A FINANCING ORDER FOR	§	OF TEXAS
SYSTEM RESTORATION COSTS		
ASSOCIATED WITH MAY 2024		
EMERGENCY OPERATIONS PLAN		
STORMS		

**COMMISSION STAFF’S RECOMMENDATION ON ADMINISTRATIVE
COMPLETENESS, PROPOSED NOTICE AND PROCEDURAL SCHEDULE**

On January 24, 2025, CenterPoint Energy Houston Electric, LLC (CenterPoint Houston) filed an application for a financing order to securitize distribution-related system restoration costs and cause the issuance of system restoration bonds. CenterPoint Houston requests approval of the structure of the securitization transaction as proposed, system restoration charges in an amount sufficient to recover the qualified costs, and approval of the form of Rider SRC to implement and adjust those system restoration charges. CenterPoint Houston further requests approval of Rider ADFITC to return ADFIT-related benefits associated with the securitization transaction to customers.

On January 28, 2025, the administrative law judge (ALJ) issued Order No. 1, establishing a deadline of February 4, 2025, for Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a recommendation on the administrative completeness of CenterPoint Houston’s application, proposed method and form of notice, and proposed procedural schedule. Therefore, this pleading is therefore timely filed.

I. SUFFICIENCY OF APPLICATION

Staff has reviewed CenterPoint Houston’s application for a financing order and recommends that the application be deemed administratively complete for further review. This recommendation does not address the merits of the application.

I. PROPOSED NOTICE

Notice in this proceeding is governed by 16 Texas Administrative Code (TAC) § 22.55, which provides that the presiding officer may require a party to provide reasonable notice to affected persons. CenterPoint Houston’s application indicates that all retail electric providers (REPs) serving end-use retail electric customers in CenterPoint Houston’s certificated service

territory will be affected and that the application may affect the retail electric customers of those REPs.¹

CenterPoint Houston proposes to provide notice to these affected persons by publication once each week for two consecutive weeks in newspapers of general circulation in CenterPoint Houston's service area.² CenterPoint Houston also proposes to provide notice to the governing bodies of the incorporated municipalities with original jurisdiction over CenterPoint Houston's rates.³ CenterPoint Houston further proposes to provide notice to each REP listed on the Commission's website via an electronic copy.⁴ Additionally, CenterPoint Houston has provided notice of the filing of this Application to each party that has intervened in Docket No. 57271 by providing a copy of the Application to the attorneys of record in that proceeding.⁵ Proof of publication in the form of publishers' affidavits and the provision of notice to the municipalities and REPs will be submitted as soon as they are available.⁶ CenterPoint Houston's forms of proposed notice were attached to the application.⁷

Staff has reviewed CenterPoint Houston's proposed form and method of notice. Staff's review indicates that CenterPoint Houston's proposed approach would provide reasonable notice of this proceeding to affected persons. Staff therefore recommends that CenterPoint Houston's proposed form and method of notice be approved, and that CenterPoint Houston be directed to provide notice consistent with its proposal.

II. PROCEDURAL SCHEDULE

Staff is consulting with CenterPoint Houston to develop a procedural schedule in this docket. However, Staff notes that in the last application for a financing order for system restoration costs filed by Entergy Texas, Inc. (Entergy), in 2021, the presiding ALJ denied the parties' Unopposed Motion to Adopt a Procedural Schedule due to the pending status of the underlying

¹ Application of CenterPoint Energy Houston Electric LLC for a Financing Order at 7 (Jan. 24, 2025).

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ *Id.*

system restoration costs application (Docket No. 51997) filed by Entergy.⁸ Footnote 2 of the order cited Entergy’s most recent status report stating that “the parties continue to work toward finalizing a settlement of the matters addressed in the docket and will continue to provide status reports on the progress of settlement in accordance with State Office of Administrative Hearings (SOAH) Order No. 4 filed on August 13, 2021, which abated the proceeding pending a final settlement package or status report.”⁹

Here, CenterPoint Houston’s underlying system restoration costs application—Docket No. 57271—is currently pending. SOAH Order No. 4 filed on January 29, 2025, states that the proceeding is abated until February 12, 2025, at which time the parties must file finalized settlement documents or a status report.¹⁰ Due to the pending status of the underlying docket, Staff proposes the following procedural schedule for further processing of this docket:

DATE	EVENT
February 26, 2025	Deadline for Staff to file report on status of settlement, if settlement agreement has not been filed
7 days after Final Order filed in Docket 52721.	Deadline for Staff to file supplemental procedural schedule, if settlement agreement has not been filed

III. CONCLUSION

For the reasons detailed above, Staff recommends that CenterPoint Houston’s application be deemed administratively complete, and its proposed method and form of notice be approved.

⁸ *Application of Entergy Texas, Inc. for a Financing Order*, Docket No. 52302, Order No. 5 (Sept. 17, 2021).

⁹ *Id.*

¹⁰ *Application of CenterPoint Energy Houston Electric, LLC for Determination of System Restoration Costs*, Docket No. 57271, SOAH Order No. 5 (Jan. 29, 2025).

Dated: February 4, 2025

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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PUC DOCKET NO. 57559

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on February 4, 2025, in accordance with the Second Order Suspending Rules, issued in Project No. 50664.

/s/ Daniel A. Alvarado
Daniel A. Alvarado