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APPLICATION OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC FOR APPROVAL OF ITS 2026-2028 TRANSMISSION AND DISTRIBUTION SYSTEM RESILIENCY PLAN

BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS



DIRECT TESTIMONY OF CHRIS BROWN

MARKET ANALYSIS DIVISION

PUBLIC UTILITY COMMISSION OF TEXAS

APRIL 15, 2025

I. QUALIFICATIONS

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- 2 Q. Please state your name and business address.
- 3 A. Chris Brown, 1701 North Congress Avenue, Austin, Texas 78701.

4 Q. By whom are you employed and in what capacity?

- 5 A. I am employed by the Public Utility Commission of Texas (Commission) as Program
- 6 Manager of the Data Analysis Team and Economist in the Market Analysis Division.

7 Q. What are your principal responsibilities?

- 8 A. My responsibilities include monitoring the ERCOT wholesale market, including any
- 9 developments related to market design and ancillary services, and participating in related
- rulemakings and projects at the Commission as a subject matter expert. Additionally, I
- am the program manager of the data analysis team tasked with verifying analytical
- reports received by the commission and providing independent data analysis to support
- various initiatives at the Commission.

14 Q. Please briefly state your educational background and professional experience.

- 15 A. I hold a B.A. in Economics from Stephen F. Austin State University, a B.S. in
- Mathematics from Stephen F. Austin State University, an M.S. in Economics from
- 17 Florida State University, and a Ph.D. in Economics from Florida State University. I have
- 18 previously worked as a graduate assistant in the Economics Department at Florida State
- 19 University and as a post-doctoral researcher in the Economics Department at Purdue
- 20 University. I have been employed with the Commission since June 2023.

21 Q. Have you previously testified before the Commission?

- 22 A. I have provided testimony for Docket 56545: Application of Oncor Electric Delivery
- 23 Company LLC for Approval of a System Resiliency Plan.

1 Q. On whose behalf are you testifying?

2 A. I am testifying on behalf of the Commission Staff (Staff).

3 II. PURPOSE AND SCOPE OF TESTIMONY

4 Q. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to address some of the evaluation metrics described in CenterPoint's application (Application)¹ that will be used to assess the effectiveness of various measures implemented as part of the proposed transmission and distribution system resiliency plan (Resiliency Plan).

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Q. What issues posed in the Preliminary Order do you address?

11 A. My testimony addresses the following issues presented in the Commission's Preliminary

12 Order in this proceeding:²

Contents of the Resiliency Plan

9. For each measure in the resiliency plan, what is the appropriate metric or criteria for evaluating the effectiveness of that measure in preventing, withstanding, mitigating, or promptly recovering from the risks associated with the resiliency event it is designed to address?

19 Q. What is the scope of your review?

20 A. My review encompasses CenterPoint's application in this proceeding as well as its responses to various requests for information (RFIs).

¹ Application of CenterPoint Energy, LLC for Approval of its 2026-2028 Transmission and Distribution System Resiliency Plan (January 31, 2025).

² Order of Referral and Preliminary Order (February 3, 2025).

- Q. What standards are you applying in the determination of the reasonableness of CenterPoints's request in this proceeding?
- A. I am applying the standards set forth in the Public Utility Regulatory Act, Tex. Util. Code

 Ann. (PURA).³ I am also applying 16 Texas Administrative Code (TAC) § 25.62, the

 Commission's rule addressing transmission and distribution system resiliency plans.

6 III. RECOMMENDATION

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- Q. As a result of your review of the Application and other information provided by CenterPoint, what is your recommendation regarding the resiliency measures in the resiliency plan?
 - A. Under 16 TAC § 25.62(c)(2)(C)(iii), the resiliency plan must include an estimate or analysis of the expected effectiveness of each measure using the selected evaluation metric or criteria. Several measures proposed in the Resiliency Plan include the following list of evaluation metrics: (1) Percent of planned asset installations completed by county, (2) Percent of change in predicted damage based on the event type, (3) Normalized total system restoration performance during Resiliency Events pre- and post-completion of mitigation projects based on the event type, and (4) Normalized restoration performance of predicted high damage concentration area compared to Normalized total system restoration performance pre- and post-completion of mitigation project during Resiliency Events based on the event type. My recommendation regarding these metrics is two-fold.

³ Public Utility Regulatory Act, Tex. Util. Code Ann. § 38.078.

⁴ These include: Distribution Circuit Resiliency (see Application at 1234), Strategic Undergrounding (see Application at 1238), Restoration IGSD (see Application at 1242), Distribution Pole Replacement/Bracing (see Application at 1246), Vegetation Management (see Application at 1250), MUCAMS (see Application at 1274), Mobile Substations (see Application at 1276), Loadshed IGSD (see Application at 1283), Distribution Capacity Enhancement/Substations (see Application at 1289), Major Underground (MUG) Reconductor (see Application at 1292), URD Cable Modernization (see Application at 1294), Contamination Mitigation (see Application at 1297), Digital Substation (see Application at 1303), and Wildfire Mitigation (see Application at 1306).

First, I recommend that the Resiliency Plan be amended to include additional detail around the normalization process that will be applied to future evaluations of system performance. In CenterPoint's response to RFIs issued by Commission Staff, some such details were provided.⁵ At a minimum, the Resiliency Plan should be amended to include discussion around the purpose and necessity of this normalization procedure, any pertinent details around the statistical adjustments that will be carried out, and at least broad examples of the types of factors that will be accounted for in this process.

Second, these metrics should be supplemented with specific statistics that demonstrate the effectiveness and benefits to consumers of implementing the Resiliency Plan, and to whatever degree possible, attribute these benefits to individual measures proposed in the Resiliency Plan. These additional statistics should be reported in CenterPoint's annual reports. In particular, at a minimum, I would recommend that the number of customers impacted, the average restoration time per customer, a Customer Minutes Interrupted (CMI) ratio, and a System Restoration Cost (SRC) ratio be reported for major events as defined by 16 TAC § 25.52(c)(4)(d). The CMI ratio is defined as the ratio of actual CMI to the projected CMI that would have occurred absent the implementation of the Resiliency Plan. The SRC ratio is defined as the ratio of actual SRC to the projected SRC that would have been incurred absent the implementation of the Resiliency Plan.

Q. Why are you recommending these changes to the evaluation metrics?

A. I am recommending that the additional details around the normalization procedure be documented for transparency and consistency in future evaluations. I am recommending that the additional statistics be included in order to ensure that future evaluations are able

⁵ CenterPoint Energy Houston Electric, LLC's Responses to the Public Utility Commission of Texas Third Set of RFIs (April 4, 2025).

to adequately demonstrate the effectiveness of the Resiliency Plan, and to whatever extent possible, the benefits accruing from individual measures within the Resiliency Plan. Presently, the metrics described in the Resiliency Plan only indicate a vague description of an assessment of the changes in predicted damage and restoration performance. These additional, more targeted, statistics are aimed at providing the type of information necessary to assess the benefits provided to consumers from the implementation of the Resiliency Plan.

8 Q. Does this conclude your testimony?

9 A. Yes.