



CITY OF HOUSTON

Administration & Regulatory Affairs
Department

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March 7, 2024

To: Cities Located in CenterPoint Energy Houston Electric Service Territory

Re: Invitation to Join the Houston Coalition of Cities in the CenterPoint Energy Houston Electric Rate Case Proceeding

On March 6, 2024, CenterPoint Energy Houston Electric, LLC (CenterPoint) filed a Statement of Intent and Application for Authority to Change Rates (Application) with cities in its service territory, and with the Public Utility Commission of Texas (PUC). CenterPoint is requesting a \$60 million annual base rate increase of which \$17 million will be collected from retail customers, and \$43 million from wholesale transmission customers. Since the issues to be addressed in this rate filing impact municipalities similarly, the City of Houston invites you to participate in the Houston Coalition of Cities (Coalition), a Coalition representing municipalities' interests in the CenterPoint Electric Rate Case proceeding. No financial contributions from member cities will be required.

Who are the Coalition experts?

The City organized a team of experts to review the rate request and assist in preparing a final recommendation. The experts include Alton Hall, of Adams and Reese, to represent the collective interest of the coalition in this matter, and technical rate experts to assist with the review of CenterPoint's application.

What are the next steps?

A conference call is scheduled for Wednesday, March 13, 2024 at 10:30am. At that time, we will provide an overview of the rate case and establish points of contact for further communication. See e-mail for meeting call-in information.

Are there any actions needed at this time by Coalition cities?

Yes. Attached is a draft resolution authorizing participation in the coalition. Action by your governing body is necessary for participation in the coalition and intervention at the PUC.

The Houston Coalition experts also recommend that Coalition cities suspend the proposed effective date of the new rates for 90 days — to July 9, 2024. According to the Texas Utilities Code, CenterPoint's proposed new rates will take effect 35 days after filing unless your city, as municipal regulator, adopts an ordinance suspending the proposed effective date. Therefore, if CenterPoint filed its Application March 6, 2024, the deadline for cities to take action to suspend the rates is April 10, 2024. A sample resolution is attached. The cities could also deny CenterPoint's request before the April 10, 2024 deadline. CenterPoint can appeal the cities' decision to deny to the PUC and consolidate the appeal with the CenterPoint application pending at the PUC.

If you have any questions, please feel free to contact me at 832.393.8532 or alisa.talley@houstontx.gov.

Respectfully,
DocuSigned by:

Alisa Talley

Alisa Talley, Division Manager

Administration & Regulatory Affairs Department

City of Houston

Council Members: Amy Peck Tarsha Jackson Abbie Kamin Carolyn Evans-Shabazz Fred Flickinger Tiffany D. Thomas Mary Nan Huffman
Mario Castillo Joaquin Martinez Edward Pollard Martha Castex-Tatum Julian Ramirez Willie Davis Twila Carter Letitia Plummer Sallie Alcorn
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