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#### **DOCKET NO. 50791**

COMPLAINT OF REIGNING GLORY SCHURCH AGAINST CENTERPOINT SENERGY HOUSTON ELECTRIC, LLC



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## CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S RESPONSE TO ORDER NO. 1 AND MOTION TO ABATE

CenterPoint Energy Houston Electric, LLC (CenterPoint Houston) files this Response to the Complaint of Reigning Glory Church (Reigning Glory Church).<sup>1</sup> In support of its Response, CenterPoint Houston states the following:

## I. Summary of CenterPoint Houston's response

Reigning Glory Church asserts in its complaint that the demand charge for Secondary Service > 10 kVA, specifically the demand ratchet provision, is high and that there are reliability issues related to outages and CenterPoint Houston's facilities that serve Reigning Glory Church.<sup>2</sup> With regard to the demand charge, secondary customers such as Reigning Glory Church are no longer subject to a demand ratchet as of April 23, 2020. The demand ratchet was removed upon conclusion of CenterPoint Houston's most recent base rate case.<sup>3</sup> With regard to the reliability-related issues raised by Reigning Glory Church, CenterPoint Houston has reviewed the outage data related to Reigning Glory Church and conducted field inspections of CenterPoint Houston's facilities that serve Reigning Glory Church. As of the date of this Response, CenterPoint Houston is conferring with Reigning Glory Church regarding any identified issues that affect the safe and reliable provision of electric service to Reigning Glory Church. To that end, CenterPoint Houston has conferred with Reigning Glory Church and Commission Staff regarding an abatement of this proceeding. Reigning Glory Church and Commission Staff have agreed to an abatement of this

<sup>&</sup>lt;sup>1</sup> Order No. 1 established May 20, 2020 as the deadline for CenterPoint Houston to file a response.

<sup>&</sup>lt;sup>2</sup> Reigning Glory Church Complaint at 1 (Apr. 20, 2020).

<sup>&</sup>lt;sup>3</sup> See generally Application of CenterPoint Energy Houston Electric, LLC for Authority to Change Rates, Docket No. 49421, Final Order (Mar. 9, 2020). CenterPoint Houston's current Commission-approved tariff is available online at: <a href="https://www.centerpointenergy.com/en-us/Documents/RatesandTariffs/HoustonElectric/CNP-Retail-Del-Tariff-Book-HOU.pdf">https://www.centerpointenergy.com/en-us/Documents/RatesandTariffs/HoustonElectric/CNP-Retail-Del-Tariff-Book-HOU.pdf</a>.

proceeding until July 13, 2020. Thus, CenterPoint Houston requests that the Public Utility Commission of Texas (Commission) abate this proceeding until July 13, 2020.

### II. Background

Reigning Glory Church's premises are located at 8727 Gaines Road, Sugar Land, Texas, and Reigning Glory Church's usage information is read by and obtained from an Advanced Metering System (AMS) meter located on the premises. Reigning Glory Church receives service under Section 6.1.1.1.3, Secondary Service Greater Than 10 kVA, of CenterPoint Houston's Commission-approved tariff.

Prior to Reigning Glory Church initiating this complaint proceeding, Reigning Glory Church raised its claims with the Commission's Customer Protection Division. During the Customer Protection Division's review of Reigning Glory Church's electric delivery charges for the period of October 2018 to March 2020, CenterPoint Houston provided Reigning Glory Church's usage information obtained from the AMS meter on Reigning Glory Church's premises. After a review of Reigning Glory Church's usage information, the Customer Protection Division stated in its correspondence to Reigning Glory Church that "CenterPoint Energy has acted consistently with Tariff sections 6.1.1.1.3 Secondary Service Greater Than 10 kVa.<sup>4</sup>"

Reigning Glory Church subsequently initiated this complaint proceeding against CenterPoint Houston on April 20, 2020. Reigning Glory Church asserts that the demand charge is high and that there are reliability issues related to outages and CenterPoint Houston's facilities that serve Reigning Glory Church.<sup>5</sup>

### III. The Commission has jurisdiction over this proceeding

The Public Utility Regulatory Act<sup>6</sup> authorizes the Commission to resolve disputes between a retail customer and an electric utility such as CenterPoint Houston. PURA § 17.157(a) states:

<sup>&</sup>lt;sup>4</sup> Id. at 4.

<sup>&</sup>lt;sup>5</sup> CenterPoint Houston notes that the Church has previously filed a complaint regarding the demand charge. See generally Complaint of Reigning Glory Church against CenterPoint Houston Electric, LLC and Summer Energy LLC, Reigning Glory Church Complaint at 1 (Jul. 10, 2018).

<sup>&</sup>lt;sup>6</sup> Public Utility Regulatory Act, Tex. Util. Code Ann. §§ 11.001-66.016 (West 2007 & Supp. 2014) (PURA).

"The commission may resolve disputes between a retail customer and a billing utility, service provider, telecommunications utility, retail electric provider, or electric utility." Additionally, PURA § 15.051(a) states: "An affected person may complain to the regulatory authority in writing setting forth an act or omission by a public utility in violation or claimed violation of a law that the regulatory authority has jurisdiction to administer or of an order, ordinance, or rule of the regulatory authority." With regard to electric service within the limits of a city that has retained original jurisdiction, the Commission's procedural rules require a complainant to "present any complaint concerning the [electric utility] to the city before presenting the complaint to the commission." Additionally, a complainant "must present a complaint to the commission for informal resolution before presenting the complaint to the commission."

The service address of Reigning Glory Church is 8727 Gaines Road, Sugar Land, Texas, which is located outside the municipal boundaries of the City of Sugar Land. Thus, Reigning Glory Church was not required to present its complaint to the City of Sugar Land prior to initiating this proceeding with the Commission. Additionally, Reigning Glory Church went through the required informal resolution process with the Customer Protection Division prior to initiating this proceeding with the Commission. Thus, the Commission has jurisdiction over this proceeding.

## IV. Applicable statutes, rules, orders and tariff provisions

The following statutory provisions apply to this proceeding:

- PURA § 32.001(a)(1), which grants the Commission "exclusive original jurisdiction over the rates, operations, and services of an electric utility in . . . areas outside of a municipality . . . ."
- PURA § 32.101, which requires an electric utility such as CenterPoint Houston to file a tariff with the Commission.

<sup>&</sup>lt;sup>7</sup> PURA § 17.157(a) (West 2007).

<sup>&</sup>lt;sup>8</sup> PURA § 15.051(a) (West 2007).

<sup>&</sup>lt;sup>9</sup> 16 TAC § 22.242(e)(1).

<sup>&</sup>lt;sup>10</sup> 16 TAC § 22,242(c).

An interactive map of the boundaries of the City of Sugar Land is available on its website: http://interactivemaps.sugarlandtx.gov/cityarea.

- PURA § 36.001, which authorizes the Commission to establish and regulate CenterPoint Houston's rates.
- PURA § 36.002, which prohibits CenterPoint Houston from charging rates except for those approved under Chapter 36 of PURA.
- PURA § 37.151(2), which requires an electric utility that holds a certificate of convenience and necessity to provide "continuous and adequate service" in the electric utility's certificated service area.
- PURA § 39.101(6), which requires the Commission to ensure that retail customers are protected from inaccurate metering or billing.
- PURA § 39.107, which addresses metering and billing services by an electric utility.

The following Commission rules apply to this proceeding:

- 16 Tex. Admin. Code § 25.52 (TAC), which addresses the reliability and continuity of service.
- 16 TAC § 25.123, which addresses meter readings.
- 16 TAC § 25.214, which establishes the terms and conditions of retail delivery service provided by an electric utility, and which requires an electric utility such as CenterPoint Houston to file a tariff with the Commission.

The following Commission orders apply to this proceeding: all orders starting from CenterPoint Houston's rate case in Docket No. 38339 that set CenterPoint Houston's electric delivery charges.<sup>12</sup>

The following sections in CenterPoint Houston's Commission-approved tariff apply to this proceeding:

- Section 4.7.1, Measurement, which states that charges will be based on meter measurement.
- Section 4.7.2, Meter Reading, which addresses meter readings.
- Section 6.1.1.1.3, Secondary Service Greater Than 10 kVA, which outlines the terms for non-residential customers that receive service at secondary voltage and with demand greater than 10 kVA.

Application of CenterPoint Houston Electric, LLC for Authority to Change Rates, Docket No. 38339, Order on Rehearing (Jun. 23, 2011). Subsequent to this rate case, CenterPoint Houston's Commission-approved tariff was revised several times to incorporate the Commission's approvals of various cost recovery riders such as the Distribution Cost Recovery Factor, the Transmission Cost Recovery Factor, and the Energy Efficiency Cost Recovery Factor. Additionally, the Commission most recently approved new base rates, effective April 23, 2020, in Docket No. 49421.

## V. Response to Reigning Glory Church's complaint

## a. Effective April 23, 2020, Reigning Glory Church is no longer subject to the demand ratchet

Reigning Glory Church is served under Section 6.1.1.1.3, Secondary Service Greater Than 10 kVA, of CenterPoint Houston's Commission-approved tariff. This service is for "non-residential purposes at secondary voltage with demand greater than 10 kVA when such Delivery Service is to one Point of Delivery and measured through one Meter." Prior to April 23, 2020, premises served under Section 6.1.1.1.3, Secondary Service Greater Than 10 kVA, were subject to a demand ratchet for the Distribution System Charge. The Distribution System Charge was \$3.059429 per Billing kVA. The Billing kVA billing was calculated as follows:

For loads whose maximum NCP [noncoincident peak] kVA established in the 11 months preceding the current billing month is less than or equal to 20 kVA, the Billing kVA applicable to the Distribution System Charge shall be the NCP kVA for the current billing month. For all other loads, the Billing kVA applicable to the Distribution System Charge shall be the higher of the NCP kVA for the current billing month or 80% of the highest monthly NCP kVA established in the 11 months preceding the current billing month (80% ratchet).

Thus, the Distribution System Charge had a ratchet component that was tied to a premise's highest NCP kVA for the preceding eleven months.<sup>13</sup>

Effective April 23, 2020, there is no longer a ratchet component in the Distribution System Charge. The Distribution System Charge is now \$4.449410 per Billing kVA. The Billing kVA is now the NCP kVA for the current billing month.

## b. CenterPoint Houston is reviewing the reliability-related issues raised by Reigning Glory Church

CenterPoint Houston is reviewing Reigning Glory Church's outage data to determine the cause and duration of outages experienced by Reigning Glory Church. Additionally, CenterPoint

Noncoincident peak is the highest demand that a customer's premises places on the distribution system for that month.

Houston conducted field inspections of CenterPoint Houston's facilities that serve Reigning Glory

Church to determine whether such facilities need to be repaired or replaced. CenterPoint Houston

will remediate issues identified during its review of the outage data and identified during its field

inspections that affect the safe and reliable provision of electric service to Reigning Glory Church.

VI. Request to abate this proceeding

CenterPoint Houston requests that this proceeding be abated until July 13, 2020, so that

CenterPoint can review and address the issues raised by Reigning Glory Church in its

complaint. CenterPoint Houston has conferred with Reigning Glory Church and Commission

Staff regarding an abatement, and Reigning Glory Church and Commission Staff do not oppose

an abatement until July 13, 2020. Upon conclusion of the abatement period, CenterPoint will

submit a status report to the Commission. Additionally, to the extent that the issues raised in

Reigning Glory Church's complaint are addressed prior to the end of the abatement period,

CenterPoint will submit a status report to the Commission. If an agreement cannot be reached by

CenterPoint and Reigning Glory Church during the time of the abatement period, Reigning Glory

Church will be permitted to proceed with its complaint.

VII. Copies of applicable rates or tariffs

Attached as Attachment A are Sections 4.7.1, 4.7.2, and 6.1.1.1.3 of CenterPoint Houston's

current Commission-approved tariff. Additionally, prior versions of CenterPoint Houston's

Commission-approved tariff are available online at:

www.centerpointenergy.com/en-us/Corp/Pages/historical-retail-tariffs.aspx?sa=tx&au=res.

VIII. Authorized Representatives

CenterPoint Houston's authorized business and legal representatives for this proceeding

are:

Perrin Wall

Director of Regulatory Affairs, Texas Electric

1005 Congress Avenue, Suite 650

Sam Chang Senior Counsel

Schiol Counsel

1005 Congress Avenue, Suite 650

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Austin, Texas 78701 (512) 397-3048 perrin.wall@centerpointenergy.com

Austin, Texas 78701 (512) 397-3005 se.chang@centerpointenergy.com

### IX. Conclusion

CenterPoint Houston has committed to review the reliability-related issues raised by Reigning Glory Church. To assist in this review, CenterPoint Houston requests that the Commission abate this proceeding until July 13, 2020.

Date: May 20, 2020

Respectfully submitted,

Sam Chang

State Bar No. 24078333

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ATTORNEY FOR CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC

### CERTIFICATE OF CONFERENCE

I, Se Hun (Sam) Chang, certify that I conferred with Pastor Lacricia Hlavinka of Reigning Glory Church on April 30, 2020 regarding an abatement of this proceeding until July 13, 2020. Pastor Hlavinka does not oppose an abatement of this proceeding until July 13, 2020, subject to the terms outlined in CenterPoint Houston's request. I also conferred with Commission Staff regarding an abatement of this proceeding until July 13, 2020, and Commission Staff does not oppose an abatement of this proceeding until July 13, 2020.

Se Hun (Sam) Chang

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### **CERTIFICATE OF SERVICE**

I, <u>Michael Burleson</u>, certify that a copy of this document was served on all parties of record in this proceeding on May 20, 2020 by first class mail.

## Attachment A:

Sections 4.7.1, 4.7.2, and 6.1.1.1.3 of CenterPoint Houston's current Commission-approved tariff

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# 4.6.2.2 DEFAULT RELATED TO FAILURE TO SATISFY OBLIGATIONS UNDER TARIFF

Upon failure of Competitive Retailer to satisfy material obligations under this Tariff, Company shall provide notice of default to Competitive Retailer that explains the reason(s) for default. Competitive Retailer shall have ten Business Days from the date of receipt of notification to cure such default. Upon the Competitive Retailer's failure to remedy the default by the expiration of the notice period, Company may pursue any or all of the following:

- (1) Implement mutually suitable and agreeable arrangements with Competitive Retailer, provided that such arrangements are available to all Competitive Retailers on a nondiscriminatory basis;
- (2) Notify the Commission that Competitive Retailer is in default and request that certification be suspended or revoked;
- (3) Notify the Commission that the Municipally Owned Utility or Electric Cooperative is in default, and request that its Retail Customers in Company's service territory be immediately served by another qualified Competitive Retailer or the POLR.

#### 4.6.2.3 DEFAULT RELATED TO DE-CERTIFICATION

Upon loss of Commission certification as a Retail Electric Provider, Competitive Retailer shall abide by P.U.C. SUBST. R 25.107, Certification of Retail Electric Providers, with respect to notice and transfer of Retail Customers to another qualified Competitive Retailer or the POLR. In the event Competitive Retailer fails to abide by this rule, the Commission may instruct the Registration Agent to immediately transfer the customers to the POLR.

#### 4.6.3 CURE OF DEFAULT

Upon payment of all past due amounts and associated penalties and late fees, establishment of any security required pursuant to Section 4.5 SECURITY DEPOSITS AND CREDITWORTHINESS, and cure of any failure to fulfill its material obligations under this Tariff, Competitive Retailer will no longer be considered in default and will not be required to comply with Section 4.6, DEFAULT AND REMEDIES ON DEFAULT.

## 4.7 MEASUREMENT AND METERING OF SERVICE

#### 4.7.1 MEASUREMENT

All charges for electricity consumed or demanded by a Retail Customer shall be based on Meter measurement except where otherwise provided for by the applicable Rate Schedule or this Tariff. Meters for residential Retail Customers shall be Company owned unless otherwise determined by the Commission. Retail Customers required by the Independent Organization to have an IDR Meter may choose a Meter Owner,

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Relating to Access To Delivery System of Company by Competitive Retailers

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other than Company, in accordance with Applicable Legal Authorities; otherwise, the Meter shall be owned by the Company.

When mutually agreed to by Company and Competitive Retailer, if Retail Customer takes Delivery Service at primary distribution or transmission voltage, Company may meter Delivery Service on the low side of Retail Customer's transformers and adjust measurements to account for losses as set forth in Chapter 6.

#### 4.7.2 METER READING

Company is responsible for reading the Meter on a monthly basis in accordance with the published Meter Reading Schedule. Company shall make a reasonable effort to complete an Actual Meter Reading. Company must obtain an Actual Meter Reading within two Business Days of the date published in the Meter Reading Schedule, except as otherwise provided herein, and shall submit the Data from the Meter Reading to the Registration Agent within three Business Days of the Scheduled Meter Reading Date. If an Actual Meter Reading cannot be completed, an Estimated Meter Reading shall be performed for invoicing purposes in accordance with this Chapter, the Rate Schedules in Section 6.1, RATE SCHEDULES, and Applicable Legal Authorities. Unless otherwise provided in this section or in the Rate Schedule, a Meter Reading shall not be estimated more than three times consecutively. Company shall establish validation procedures that prohibit zero usage and extreme value Meter Readings unless good reason exists for the readings. Company shall ensure that invoices and Meter Reading transactions with zero usage or usage with extreme and unlikely values are not issued to Competitive Retailer or Retail Customer unless Company has good reason to believe that the value is correct.

In any month where the Meter Reading fails the validation process, Company shall perform a second Meter Reading at no cost to the Competitive Retailer or Retail Customer.

#### 4.7.2.1 DENIAL OF ACCESS BY RETAIL CUSTOMER

If in any month Retail Customer prohibits Company access to read the Meter (due to Premises being locked, presence of a threatening animal, physical threats to Company, or other similar reason), Company shall provide the Retail Customer a door hanger requesting access the following month and informing the Retail Customer of the consequences for continuing to fail to provide access. If there is no door on which to leave a door hanger, Company may leave the door hanger at a point of ingress. If no point of ingress is available, Company may choose not to leave the door hanger and must notify Competitive Retailer of the inability to leave the door hanger. Company shall inform Competitive Retailer that Company was unable to gain access and the reason that Company was unable to gain access, providing enough detail that Competitive Retailer can explain to the Retail Customer and inform Competitive Retailer of the number of consecutive months Company has been

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CenterPoint Energy Houston Electric, LLC

Applicable: Entire Service Area CNP 8017

#### SECONDARY SERVICE GREATER THAN 10 KVA 6.1.1.1.3

#### **AVAILABILITY**

This schedule is available to Retail Customers requesting Delivery Service for non-Residential Purposes at Secondary Distribution Voltage levels with a peak demand greater than 10 kVA when such Delivery Service is to one Point of Delivery and measured through one Meter; except that, at Company's option, locations where the Retail Customer's Electrical Installation or Premises has multiple connections to Company's Delivery System, due to Company facility limitations or design criteria, may be considered one Point of Delivery for billing purposes.

#### **MONTHLY RATE**

## I. Transmission and Distribution Charges:

Customer Charge			
Non-IDR Metered	\$3.00	per Retail Customer per Month	
IDR Metered	\$44.95	per Retail Customer per Month	
Metering Charge			
Non-IDR Metered	\$7.41	per Meter per Month	
IDR Metered	\$72.00	per Meter per Month	
Transmission System Charge			
Non-IDR Metered	\$0.00	per NCP kVA	
IDR Metered	\$0.00	per 4CP kVA	
Distribution System Charge	\$4.449410	per Billing kVA	
II. Transition Charge:		See Schedules TC2, TC3, SRC, and TC5	
III. Nuclear Decommissioning Charge:		See Rider NDC	
IV. Transmission Cost Recovery Factor:		See Rider TCRF	
V. Competitive Metering Credit:		See Rider CMC	

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CenterPoint Energy Houston Electric, LLC

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## VI. Other Charges or Credits:

A.	Municipal Account Franchise Credit	(\$0.807040)	man Dillima IsVA
	(see application and explanation below)	(\$0.897049)	per Billing kVA

B. Rate Case Expenses Surcharge See Rider RCE

C. Energy Efficiency Cost Recovery Factor See Rider EECRF

D. Accumulated Deferred Federal See Rider ADFITC Income Tax Credit

See Rider DCRF E. Distribution Cost Recovery Factor

F. Unprotected Excess Deferred See Rider UEDIT Income Tax

#### **TERMS OF SERVICE**

#### DETERMINATION OF BILLING DEMAND FOR TRANSMISSION SYSTEM CHARGES

Application of IDR Metered Charges. The IDR Metered charges listed in the Monthly Rate section of this Rate Schedule are applicable to Retail Customers who have established an NCP demand greater than 700 kVA in any previous billing month, and to Retail Customers who were billed on a 4CP kVA basis prior to the effective date of this Rate Schedule, regardless of whether their Meter is an IDR Meter, a Standard Meter or other Meter.

Determination of NCP kVA. The NCP kVA applicable under the Monthly Rate section shall be the kVA supplied during the 15 minute period of maximum use during the billing month.

Determination of 4 CP kVA. The 4 CP kVA applicable under the Monthly Rate section shall be the average of the Retail Customer's integrated 15 minute demands at the time of the monthly ERCOT system 15 minute peak demand for the months of June, July, August and September of the previous calendar year. The Retail Customer's average 4CP demand will be updated effective with the February billing month of each year and remain fixed for a year. Retail Customer's previous metered usage under this or any other Rate Schedule will be used, as needed, in determining the billing determinants under the Monthly Rate section. Retail Customers without previous history on which to determine their 4 CP kVA will be billed at the applicable NCP rate under the "Transmission System Charge" using the Retail Customer's NCP kVA.

#### DETERMINATION OF BILLING DEMAND FOR DISTRIBUTION SYSTEM CHARGES

Determination of Billing kVA. The Billing kVA applicable to the Distribution System Charge shall be the NCP kVA for the current billing month.

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CenterPoint Energy Houston Electric, LLC

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#### OTHER PROVISIONS

<u>Type of Service</u>. The standard Delivery Service under this Rate Schedule will be single or three-phase, 60 hertz, at the Company's standard Secondary Distribution Voltage level for this type of service as described in Section 6.2.2 of this Tariff and in the Company's Service Standards.

<u>Metering Equipment</u>. Delivery Service under this Rate Schedule will be metered using Company's Standard Meter provided for this type of Delivery Service. Any other metering option(s) requested by Retail Customer will be provided at an additional charge and/or will be provided by a Meter Owner other than the Company pursuant to Applicable Legal Authorities.

<u>Construction Services</u>. Where Construction Services are required to initiate Delivery Service under this Rate Schedule, additional charges and special contract arrangements may be required prior to Delivery Service being furnished, pursuant to the Company's Construction Services Policy in Section 6.1.2.2 of this Tariff.

<u>Peak Demand Requirement</u>. This Rate Schedule is applicable only to Retail Customers whose peak demand for the current month is greater than 10 kVA, as measured in the Retail Customer's fifteenminute period of highest demand, or whose peak demand exceeded 10 kVA in any of the previous eleven months.

Temporary Service. This Rate Schedule is also applicable to Retail Customers who need Delivery Service at Secondary Distribution Voltage levels on a temporary basis for construction activities, for emergency shelters and temporary housing facilities managed by the Federal Emergency Management Agency or other state or federal agency after a natural or other disaster, and for other temporary facilities or purposes as determined by Company. The Company's construction of Delivery System facilities for the provision of such temporary Delivery Service is subject to the Company's Construction Services Policy in Section 6.1.2.2 of this Tariff.

<u>Sub-Metering</u>. The Electric Power and Energy delivered may not be re-metered or sub-metered by the Retail Customer for resale except pursuant to lawful sub-metering regulations of Applicable Legal Authorities.

Municipal Account Franchise Credit. A credit equal to the amount of franchise fees included in the Transmission and Distribution Charges will be applied to municipal accounts receiving service within the incorporated limits of such municipality which imposes a municipal franchise fee upon the Company based on the Billing kVA within that municipality and who have signed an appropriate Franchise Agreement.

Adjustment To The Charges Applied To Retail Customer's Demand Measurement. If data to determine the Retail Customer's *Demand Measurement* becomes no longer available, the Company will determine a *Conversion Factor* which will be used as an adjustment to all per unit charges that

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CenterPoint Energy Houston Electric, LLC

Applicable: Entire Service Area

will then be applied to the New Demand Measurement. Demand Measurement shall include the Billing kVA, the 4 CP kVA, NCP kVA or any other demand measurement required for billing under this Rate Schedule or any applicable rider(s) or any other applicable schedule(s). New Demand Measurement shall be the billing determinants which replace the Demand Measurement. The Conversion Factor will apply to unit prices per kVA such that when applied to the New Demand Measurement, the revenue derived by the Company under demand based charges shall be unaffected by such lack of data.

This adjustment may become necessary because of changes in metering capabilities, such as, Meters that record and or measure kW with no ability to determine kVA or Meters which meter data in intervals other than 15 minutes. This adjustment also may become necessary due to changes in rules, laws, procedures or other directives which might dictate or recommend that Electric Power and Energy, electric power related transactions, wire charges, nonbypassable charges and/or other transactions measure demand in a way that is inconsistent with the definitions and procedures stated in the Company's Tariff. This adjustment is applicable not only in the instances enumerated above but also for any and all other changes in *Demand Measurement* which would prevent the Company from obtaining the necessary data to determine the kVA quantities defined in this Rate Schedule, applicable Riders and other applicable schedules.

The Conversion Factor shall render the Company revenue neutral to any change in *Demand* Measurement as described above.

On-Site Generation. Delivery Service under this Rate Schedule to a Retail Customer with on-site distributed generation (as defined in section 25.211 of the Commission's rules) may also be subject to the terms, conditions, fees and charges set out in Section 6.1.2.4 of this Tariff, regarding the interconnection and parallel operation of distributed generation.

## **NOTICE**

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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