



Recommendation for Action

File #: 20-1926, **Agenda Item #:** 76.

4/23/2020

Posting Language

Approve an ordinance suspending a Gas Reliability Infrastructure Program interim customer surcharge proposed by CenterPoint Energy Resources.

Lead Department

Telecommunications and Regulatory Affairs.

Fiscal Note

This item has no fiscal impact

For More Information:

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Additional Backup Information:

On March 5, 2020, CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas, South Texas Division filed a proposed interim rate adjustment under the Gas Reliability Infrastructure Program ("GRIP") with the City of Austin and the other cities it serves. The proposal would allow CenterPoint to recover the incremental costs of the new capital investment it has made in its South Texas Division from January 1, 2019 through December 31, 2019 in the amount of \$31,212,459 with a proposed effective date of May 4, 2020.

This filing was made under the Texas Utilities Code, Section 104.301 that allows a gas utility to annually recover capital investments in gas pipeline infrastructure and related expenses made during the interim period in between formal rate case filings. GRIP rates must be based on reasonable increases in invested capital costs and cannot include operation or maintenance costs.

Based on company-provided information, the proposed assessment will increase the average monthly bill for typical Residential and Commercial customers as follows:

Rate Schedule	Current Customer Charge	Proposed 2020 Interim Rate Adjustment	Adjusted Charge	Increase Per Bill
R-2097-I-GRIP 2020; R-2097-U-GRIP 2020 Residential	\$21.04 per customer per month	\$1.55 per customer per month	\$22.59 per customer per month	\$1.55 per customer per month
GSS-2097-I-GRIP 2020; GSS-2097-U-GRIP 2020 General Service Small	\$29.16 per customer per month	\$3.11 per customer per month	\$32.27 per customer per month	\$3.11 per customer per month
GSLV-628-I-GRIP 2020; GSLV-628-U-GRIP 2020 General Service Large Volume	\$126.70 per customer per month	\$18.74 per customer per month	\$145.44 per customer per month	\$18.74 per customer per month

The City has original jurisdiction over natural gas utilities serving Austin residents. As the local regulatory authority, the City Council has authority to suspend implementation of the interim rate adjustment for a period not to exceed 45 days beyond the effective date to review the filing to ensure it complies with the GRIP statute. Staff recommends Council approval of this ordinance that suspends the effective date.

Strategic Outcome(s):

Economic Opportunity and Affordability.