ORDINANCE No. 2014-172 CITY OF SHOREACRES, TEXAS

AN ORDINANCE BY THE CITY OF SHOREACRES, TEXAS ("CITY") APPROVING AN AMENDMENT TO CENTERPOINT ENERGY HOUSTON ELECTRIC'S RATE SCHEDULE FOR LIGHTING SERVICES, TARIFF "6.1.1.1.6, LIGHTING SERVICES;" ESTABLISHING AN EFFECTIVE DATE FOR THE AMENDED TARIFF: FINDING THE CITY'S RATE CASE EXPENSES REASONABLE: AND REQUIRING REIMBURSEMENT OF THE CITY'S LEGAL AND CONSULTANT EXPENSES: CONTAINING A SEVERABILITY CLAUSE; MAKING VARIOUS FINDINGS AND RELATING PROVISIONS TO THE SUBJECT: FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW: AND DECLARING AN EFFECTIVE DATE HEREOF.

* * * * *

WHEREAS, on or about August 8, 2014 CenterPoint Energy Houston Electric, LLC ("CenterPoint") submitted to the City an application to amend its tariff for lighting services and submitted a similar application with the Public Utility Commission of Texas (PUCT); and,

WHEREAS, the City is a regulatory authority under the Public Utility Regulatory Act ("PURA") and under Chapter 33, §33.001 et seq. of PURA has exclusive original jurisdiction over CenterPoint's rates, operations, and services within the municipality; and,

WHEREAS, the City, in matters regarding applications by CenterPoint to change rates, has in the past joined with other local regulatory authorities to form the Texas Coast Utilities Coalition of Cities ("TCUC") and hereby continues its participation in TCUC; and,

WHEREAS, CenterPoint's proposed LED tariff, Rate Schedule "Section 6.1.1.6, Lighting Services (Street Lighting and Miscellaneous Lighting Services)," presents new issues with regard to rates for LED street lights, and raises questions with regard to the locations in which CenterPoint will deploy the new technology; and,

WHEREAS, CenterPoint's application raises issues with regard to the effect of the new LED tariffs will have on future charges for street-lighting services; and,

WHEREAS, it is in the City's citizens' interest to explore the opportunity to receive the new LED street-lighting service; and,

WHEREAS, CenterPoint proposed October 1, 2014 as the effective date for its change in rates; and,

WHEREAS, the City suspended CenterPoint's proposed effective date from October 1, 2014, to December 30, 2014 to allow the City time to review and evaluate CenterPoint's application to change its rates so as to enable the City to adopt a final decision as a local regulatory authority with regard to CenterPoint's requested change in rates.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHOREACRES, TEXAS THAT:

<u>Section 1</u>. The findings set out in the preamble are in all things hereby approved.

<u>Section 2</u>. CenterPoint's Lighting Services rate schedule at Section 6.1.1.6, of CenterPoint's Tariff for Retail Service appended to this Ordinance as "Attachment A" is approved subject to the following conditions:

- A. CenterPoint Houston agrees to track the costs associated with providing LED street lighting service under Section 6.1.1.1.6 of CenterPoint Houston's Tariff for Retail Delivery Service so that such costs may be appropriately allocated in the Company's next DCRF and base rate proceedings.
- B. Approval of CenterPoint's amendment to Section 6.1.1.1.6 of CenterPoint Houston's Tariff for Retail Delivery Service does not include approval of or agreement that CenterPoint's capital expenditures or expenses related to the deployment or installation of LED lighting are just and reasonable expenses, or to recovery in future changes in rates of such expenditures or expenses.
- C. Within thirty days from adoption of this Ordinance CenterPoint, shall file a tariff in all matters consistent with the tariff appended to this Ordinance and incorporate such tariff into its schedule of tariffs.
- D. At the City's election, CenterPoint shall deploy LED street lighting service within the City's corporate limits.

Section 3. The City finds the expenses incurred for its participation in the Texas Coast Utilities Coalition of Cities ("TCUC") to participate and review CenterPoint's rate application in the amount not to exceed \$3,500.00 to be just, reasonable, and necessary, and directs CenterPoint to submit payment for the TCUC's rate-case expenses, by no later than thirty (30) days following adoption of this Ordinance.

<u>Section 4</u>. The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

<u>Section 5</u>. That if any section, clause, sentence, or phrase of this Ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this Ordinance.

<u>Section 6</u>. This Ordinance shall become effective from and after its passage.

PASSED AND APPROVED this the 8th day of December 2014.

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=5: 1	Rick Moses, Mayor
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ATTEST:	

David K. Stall, CFM City Secretary

M/2	Yea	Nay	N/V	Absent
R. Moses			×	
R. Adams				
B. Bunker	Ø			
N. Schnell				
M. Wheeler	M			
N. Moyer	M			
		1	P	

Passed/Pailed

David Stail City Secretary - Date

ATTACHMENT A

CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC LIGHTING SERVICES TARIFF

Chapter 6: Company Specific Items

Sheet No. 6.6

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CenterPoint Energy Houston Electric, LLC

Applicable: Entire Service Area

CNP 8020

6.1.1.1.6 LIGHTING SERVICES

(Street Lighting and Miscellaneous Lighting Services)

CNP 8020

6.1.1.1.6 LIGHTING SERVICES

(Street Lighting and Miscellaneous Lighting Services)

STREET LIGHTING SERVICE

AVAILABILITY

Street lighting service is available in areas designated by CenterPoint Energy Houston Electric, LLC (CEHE or Company) where facilities of adequate capacity and suitable voltage are adjacent to the street lighting fixtures and ornamental standards (if any) to be served. The standard street lighting service provided by the Company is installed along public streets, roadways or other public access areas in accordance with Section 6.1.2.2, Construction Services, in this Tariff. Company will only provide for the delivery of electric power and energy, the street lighting fixtures/luminaires and ornamental standards (if any), and maintenance. Retail Customer's electric power and energy must be provided by the Retail Customer's REP in accordance with Applicable Legal Authorities and the Company's Tariff.

TYPE OF SERVICE

Street lights under this rate schedule will be served at various voltages as determined by the Company. This rate schedule is applicable to the requirements of cities, governmental agencies, real estate developers and other groups requesting street lighting service, herein referred to as Retail Customer. Street lighting service includes the provision of street lighting fixtures/luminaires and ornamental standards (if any), as well as the provision of Delivery Service for electric power and energy provided by the Retail Customer's REP and required for the lighting service. Delivery Service under this rate schedule will be un-metered.

Company will install, own and maintain the installation served hereunder. Company's street lighting service is built to NESC standards. At the request of Customer and at Company's discretion, Company may build to other standards, with Customer being responsible for any difference in cost. All street lights will burn out and/or dim over time, including LED luminaires. Thus the lumens delivered by a street light will vary over time and will vary from lamp to lamp and LED luminaire to luminaire. Company will replace burned out lamps and luminaires, and/or make maintenance repairs during regular working hours at its own cost and expense and will generally have the lighting service restored within 72 hours after notification by the Retail Customer, but with no adjustment of payments hereunder due to outage or varying levels of lumens. Street lighting fixtures/luminaires furnished hereunder shall operate under normal conditions from approximately thirty minutes after sunset to approximately thirty minutes before sunrise every night in the year and the assumed total time of operations will be approximately four thousand (4,000) hours each year for each light furnished.

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MONTHLY RATE

I. Transmission and Distribution Charges

In addition to the T&D Charge per lamp for various configurations in the table below, an additional \$1.09 per month will be charged for all lamps with a break-away base.

bre	eak-away ba	se.					
Lamp Initial Lumen	Watt (Bulb Only)	Schedule A*	Schedule B*	Schedule C*	Schedule D*	Schedule E*	Monthly KWH
Mercury Vapor	(2410 0111)	L		1	ı		
58,000 Lumen	1,000	\$8.82	\$22.97	\$14.01	\$23.28	\$16.75	365
22,600 Lumen	400	\$5.15	\$17.75	\$11.50	\$19.75	\$13.14	150
7.800 Lumen	175	\$3.64	N.A.	N.A.	\$15.89	\$10.40	69
4,200 Lumen	100	\$3.54	\$16.91	N.A.	\$13.70	N.A.	41
High Pressure S	Sodium Vapor						
50,000 Lumen (Set Back)	400	\$14.22	N.A.	N.A.	\$24.16	\$21.30	160
50,000 Lumen	400	\$7.93	\$20.65	\$14.01	\$23.28	\$15.50	160
28,000 Lumen (Set Back)	250	\$14.45	N.A.	N.A.	\$24.16	\$21.30	106
28,000 Lumen	250	\$5.15	\$17.75	\$11.66	\$19.75	\$13.15	106
15,000 Lumen	150	\$3.64	\$16.20	\$10.77	\$15.89	\$10.40	58
9,500 Lumen	100	\$3.64	\$16.20	N.A.	\$12.92	\$8.88	38
6,000 Lumen	70	\$3.58	\$16.13	N.A.	\$12.46	N.A.	29
Metal Halide						,	
32,200 Lumen	400	\$9.49	N.A.	N.A	\$23.94	\$18.56	159
19,475 Lumen	250	\$10.34	N.A.	N.A.	\$26.43	\$18.35	96
12,900 Lumen	175	\$11.01	N.A.	N.A.	\$23.52	\$17.09	70
7,900 Lumen	100	\$11.69	N.A.	N.A.	\$23.29	\$19.68	40
Light Emitting	Diode (LED) ¹				•		•
4,800 Lumen	60	N.A.	N.A.	N.A.	\$17.31	N.A.	17
LED Alternativ	e For 400W Me	rcury Vapor			,		.1
15,100 Lumen	180	\$5.15	\$17.75	\$11.50	\$19.75	\$13.14	64
LED Alternativ	e For 175W Me	rcury Vapor					1
7,900 Lumen	95	\$3.64	N.A. •	N.A.	\$15.89	\$10.40	32
LED Alternativ	e For 100W Me	rcury Vapor	I	1	1		
4,800 Lumen	45	\$3.54	\$16.91	N.A.	\$13.70	N.A.	17
LED Alternativ	e For 250W Hig	gh Pressure So	dium				
15,100 Lumen	180	\$5.15	\$17.75	\$11.66	\$19.75	\$13.15	64
2 nd LED Altern	ative For 250W	High Pressur	e Sodium	1			1
10,850 Lumen	115	\$5.15	\$17.75	\$11.66	\$19.75	\$13.15	38
LED Alternativ	e For 150W Hig	gh Pressure So	dium	·			
7,900 Lumen	95	\$3.64	\$16.20	\$10.77	\$15.89	\$10.40	32
	•				·	1	4

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LED Alternative	For 100W Hig	h Pressure So	dium				
4,800 Lumen	45	\$3.64	\$16.20	N.A.	\$12.92	\$8.88	17
LED Alternative	For 70W High	Pressure Sod	ium				
4,800 Lumen	45	\$3.58	\$16.13	N.A.	\$12.46	N.A.	17
LED Alternative	For 400W Me	tal Halide			'		
15,100 Lumen	180	\$9.49	N.A.	N.A.	\$23.94	\$18.56	64
LED Alternative	For 250W Me	tal Halide					
15,100 Lumen	180	\$10.34	N.A.	N.A.	\$26.43	\$18.35	64
2 nd LED Alterna	tive For 250W	Metal Halide			•		
10,850 Lumen	115	\$10.34	N.A.	N.A.	\$26.43	\$18.35	38
LED Alternative	For 175W Me	tal Halide					
7,900 Lumen	95	\$11.01	N.A.	N.A.	\$23.52	\$17.09	32
LED Alternative	For 100W Me	tal Halide					
4,800 Lumen	45	\$11.69	N.A.	N.A.	\$23.29	\$19.68	17

The initial rate levels shown in this Rate Schedule for LED luminaires are subject to change, perhaps significantly, in the next Cost of Service rate filing.

* DESCRIPTION OF LIGHTING CONFIGURATIONS

Schedule A -one or more lamps/luminaires mounted on existing distribution poles and served by overhead conductors.

Schedule B -single lamp/luminaire mounted on ornamental standard and served by overhead conductors. Limited to existing installations.

Schedule C -twin lamps/luminaires mounted on ornamental standard and served by overhead conductors. Limited to existing installations.

Schedule D -single lamp/luminaire mounted on ornamental standard and served by underground conductors, or decorative residential streetlights.

Schedule E -twin lamps/luminaires mounted on ornamental standard and served by underground conductors.

II. System Benefit Fund Charge: See Rider SBF

III. Transition Charge: See Schedules TC, TC2,

TC3, SRC, and TC5

IV. Nuclear Decommissioning See Rider NDC

Charge:

V. Transmission Cost Recovery See Rider TCRF

Factor:

VI. Competition Transition See Rider CTC

Charge:

VII. Other Charges or Credits:

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A. Municipal Account Franchise \$(.002168) Per kWh Credit (see application and explanation below)

B. Rate Case Expenses See Rider RCE Surcharge

C. Energy Efficiency Cost See Rider EECRF Recovery Factor

D. Accumulated Deferred See Rider ADFITC Federal Income Tax Credit

OTHER PROVISIONS

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 kWh within that municipality and who have signed an appropriate Franchise Agreement.

Mercury Vapor Lighting Additional mercury vapor lighting is no longer being installed. Existing mercury vapor installations will be converted during the normal course of maintenance when individual lamps burn out. Mercury vapor installations will be converted to high pressure sodium lamps or LED equivalents, depending upon the standard street light installation, as selected by the Retail Customer, for the area in which the mercury vapor light resides, at no upfront cost to the Retail Customer.

LED Street Lights At this time there is not an LED replacement option for all existing Lamp Types. The rate at which LED street lights are converted or installed will be at the sole discretion of the Company, may be based upon a negotiated deployment schedule, and will reflect, at a minimum, the capital requirements associated with the project, any customer required contribution in aid of construction, the physical capability to replace/install the LED street lights, and the availability of manufacturers to supply the requested LED luminaires.

LED street lights are an emerging technology with no established industry standard. By choosing an LED street lighting option, Retail Customer acknowledges this fact and accepts that there will be variances between LED street light luminaires. Such variances may reflect, at a minimum: luminaire physical appearance, differing levels of lumens, watts, and monthly kWh. Retail Customer shall not hold Company liable for any variations in LED street light luminaire performance from the target average

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specifications stated in this rate schedule nor for how LED street light luminaires evolve over time in comparison to earlier variants.

The Initial Lumen and Watt levels shown in the table above for LED street lights reflect a target average lumen output and a target average wattage level and may not be representative of any particular LED luminaire.

The Monthly KWH level shown in the table above for LED street lights reflects a target average KWH level and may not be representative of any particular LED luminaire.

<u>Street Light Removal</u> If Company owned lighting equipment and/or poles are removed and/or replaced at the Customer's request, a charge may be accessed consisting of the estimated original cost, less depreciation, less salvage value, plus removal cost. This condition applies if a Customer's selection of service under this rate schedule requires the removal of Company owned lighting equipment or poles, including LED street lights.

MISCELLANEOUS LIGHTING SERVICE

AVAILABILITY

Miscellaneous Lighting Service is available in areas designated by Company with suitable locations and where facilities of adequate capacity and suitable voltage are adjacent to the lighting fixture(s) to be served. All new fixtures must be owned by the Retail Customer or the Retail Customer's REP ("Customer Owned Installation" or "Customer Owned Fixture") and will be installed in accordance with this rate schedule and 6.1.2.2- Construction Services, Section 8 in the Company's Tariff. Existing Company owned fixtures will continue to be owned and maintained by the Company ("Company Owned Installation" or "Company Owned Fixture"). CenterPoint Energy Houston Electric, LLC will only provide for the delivery of electric power and energy, the installation of fixtures, and the maintenance of fixtures, as described herein. Retail Customer's electric power and energy must be provided by the Retail Customer's REP in accordance with Applicable Legal Authorities and the Company's Tariff.

TYPE OF SERVICE

The lighting fixtures served under this rate schedule will be served at standard secondary voltages as determined by Company. This tariff is applicable to any Retail Customer receiving un-metered service for one or more Company approved lighting fixtures which operate automatically every night from dusk to dawn and can be either: (1.) a Customer Owned Fixture or (2.) a Company Owned Fixture. The Company will install, make electrical connection(s), and maintain the lighting fixture(s).

Charges for services shall commence on the date that the electrical connection is made.

MONTHLY RATE

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I. Transmission and Distribution Charges

- A. Only the T&D Charge below is applicable to Customer Owned Installations.
- B. The T&D Charge and the Fixture Charge below are applicable to Company Owned Installations. In addition to the T&D Charge and the Fixture Charge for each lamp type in the table below, an additional charge of \$2.55 per month is charged for a span of secondary which was installed exclusively for Miscellaneous Lighting Service and Retail Customer did not reimburse Company for construction cost (applies only to installations existing as of 1-1-2002).

the state of the s	T&D	LUMEN	TOTAL	FIXTURE	MONTHLY
TYPE OF LAMP	<u>CHARGE</u>	RATING	WATTAGE	CHARGE ¹	KWH
Floodlighting/Directional Lighting					
High Pressure Sodium (150 watts)	\$4.20	15,000	185	\$ 4.15	61
High Pressure Sodium (250 watts)	\$4.62	28,000	315	\$ 4.46	105
High Pressure Sodium (400 watts)	\$4.74	50,000	475	\$ 4.55	158
High Pressure Sodium (1,000 watts)	\$9.37	140,000	1,100	N/A	367
Metal Halide (175 watts)	\$10.71	12,900	210	N/A	70
Metal Halide (250 watts)	\$19.17	19,475	294	N/A	98
Metal Halide (400 watts)	\$7.81	32,200	476	N/A	159
Metal Halide (1,000 watts)	\$17.79	104,500	1,100	N/A	367
Roadway/General Lighting					
High Pressure Sodium (150 watts)	\$2.81	15,000	185	\$ 2.70	61
Guard Lighting					
High Pressure Sodium (100 watts)	\$2.81	9,500	120	\$ 2.70	40
Mercury Vapor (no new installations)	\$2.81	7,800	215	\$ 2.70	72

Applies only to Company Owned Fixtures that are Company-owned and installed prior to September 1, 2000.

II. System Benefit Fund Charge:

See Rider SBF

III. Transition Charge:

See Schedules TC, TC2, TC3, SRC, and TC5

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CenterPoint Energy Houston Electric, LLC Applicable: Entire Service Area

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IV. **Nuclear Decommissioning**

See Rider NDC

Charge:

V. **Transmission Cost Recovery** See Rider TCRF

Factor:

VI. **Competition Transition Charge:** See Rider CTC

VII. **Other Charges or Credits:**

A. Municipal Account Franchise \$(.002343) Per kWh

Credit (see application and explanation below)

B. Rate Case Expenses Surcharge

See Rider RCE

C. Energy Efficiency Cost

See Rider EECRF

Recovery Factor

D. Accumulated Deferred Federal Income Tax Credit See Rider ADFITC

OTHER PROVISIONS

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 kWh within that municipality and who have signed an appropriate Franchise Agreement.

Mercury Vapor Lighting Additional mercury vapor lighting is no longer being installed. Existing mercury vapor installations will be converted to sodium vapor installations from time to time during the normal course of maintenance when individual lamps burn out. Mercury vapor Guard Lighting installations with 7,800 lumen lamps will be converted to 9,500 lumen high pressure sodium, at no up-front cost to the Retail Customer.

INSTALLATION AND MAINTENANCE FOR CUSTOMER OWNED FIXTURES

Company will install and maintain the lighting fixture(s) served hereunder. For all installations except Guard Lights, the Company will provide for each fixture the bulb and the photoelectric relay at the time of installation. Company will replace burned out lamps and make other maintenance repairs during Company's regular working hours at Company's expense, but with no adjustment of payments hereunder due to outage.

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Maintenance includes replacement of burned-out lamps (bulbs) and malfunctioning photoelectric relays. Damages due to vandalism, storms, accidents or manufacturing defects are not included under maintenance. Generally, Company will make maintenance repairs under this tariff within 72 hours after notification by the Retail Customer or REP.

The Retail Customer will be charged a one-time fee per lighting fixture to cover the Company's standard installation as detailed below. Standard installation consists of installing the lighting fixture on an existing wooden distribution pole and connecting service supplied from an existing or new overhead secondary conductor on the pole as detailed below. Standard installations are made during normal Company business hours. The charges below include both the labor to install and eventually remove fixtures. Any additional construction and/or cost required to provide service will be at the Retail Customer's expense, for an additional charge. Any additional facilities so required will be owned, installed and maintained by the Company.

Retail Customer or REP must purchase/provide all lighting fixtures. Only un-metered lighting fixtures meeting Company Service Standards and specifications will be allowed under this tariff. The Retail Customer or REP will own the lighting fixture.

CUSTOMER OWNED FIXTURES	One Light	Two Lights	Three Lights
STANDARD INSTALLATION	per Pole	per Pole	per Pole
FEES			
High Pressure Sodium			
Installations without secondary			-
150w, 250w, 400w	\$325	\$350	\$405
1000w	\$370	\$450	\$550
Installations with 150 feet of secondary			
150w, 250w, 400w	\$425	\$450	\$505
1000w	\$470	\$550	\$655
Metal Halide			
Installations without secondary			
175w, 250w, 400w	\$330	\$365	\$430
1000w	\$370	\$450	\$550
Installations with 150 feet of secondary			_
175w, 250w, 400w	\$430	\$470	\$530
1000w	\$470	\$550	\$655
Guard Light			
Installations without secondary			
100w HPS	\$325	N/A	N/A
Installations with secondary			
100w HPS	\$365	N/A	N/A
Roadway Light			
Installations without secondary			
150w HPS	\$335	N/A	N/A
Installations with secondary			

CenterPoint Energy Houston Electric, LLC

Applicable: Entire Service Area CNP 8020

150w HPS	\$375	N/A	N/A

INSTALLATION AND MAINTENANCE FOR COMPANY OWNED FIXTURES

Company Owned Fixtures were installed by the Company before September 1, 2000. Company will replace burned out lamps and make other maintenance repairs during Company's regular working hours at Company's expense, but with no adjustment of payments hereunder due to outage. Maintenance includes replacement of burned-out lamps (bulbs) and malfunctioning photoelectric relays, and damages due to vandalism, storms, accidents or manufacturing defects. Generally, Company will make maintenance repairs under this tariff within 72 hours after notification by the Retail Customer or REP.

EXTRAORDINARY MAINTENANCE ACTIVITIES

For Customer Owned Fixtures, Company will charge Retail Customer an additional fee as detailed below for each occurrence of the extraordinary maintenance activities listed hereunder.

CUSTOMER OWNED FIXTURES EXTRAORDINARY MAINTENANCE FEE					
	ACTIVITY FEE				
(1)	Replace a vandalized shield (parts and labor)	\$125.00			
(2)	Make adjustments to the fixture (labor only)	\$125.00			
(3)	Replace a fixture (labor only)	\$125.00			
(4)	Relocate a fixture (labor only)	See Section 6.1.2.2, Construction Services			

NOTICE

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