Haynes and Boone Represents H-E-B in Face-off with CenterPoint Energy

By Diana Liebmann, Jennifer Littlefield, Carlos Carrasco | February 20, 2020

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Haynes Boone represented San Antonio-based grocery chain H-E-B in a utility rate case in which the grocer successfully challenged rate increases requested by CenterPoint Energy.

The Haynes Boone team representing H-E-B was led by San Antonio Partner Diana Liebmann and included Austin Counsel Jennifer Littlefield and San Antonio Associate Carlos Carrasco.

Here is an excerpt of coverage from the *Houston Chronicle*:

H-E-B, the San Antonio-based grocery chain, was experiencing so many power outages at its Houston-area stores that three years ago it began installing its own backup generators to keep food at the right temperature.

So when CenterPoint Energy, the regulated utility that distributes electricity to the Houston area, asked Texas regulators to raise rates this spring by $161 million and to boost its profit to 10.4 percent, H-E-B stepped up and said the utility didn't deserve either.

The grocer took its complaints about unreliable service to the Public Utility Commission and ended up saving Houston area residents millions of dollars in transmission and distribution rates, according to regulatory filings. The increases would have raised electricity bills by $2.38 a month for Houston-area customers using 1,000 kilowatt hours of power.

The administrative law judges who heard evidence last year in CenterPoint's rate case agreed with H-E-B and recommended that CenterPoint's profit be reduced to reflect the reliability problems. CenterPoint told the commission that it fixed the issues raised by H-E-B and that it would be "arbitrary" and "punitive" to reduce the utility's return on equity — costing it millions of dollars — because of H-E-B's complaints.

Ultimately, CenterPoint negotiated a settlement with a $13 million rate hike, a fraction of its request, and a profit of 9.4 percent, even less than the 10 percent the utility has been allowed to earn over the past decade. The three-member commission approved the deal Friday.

To read the full article, click here.

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