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Received - 2021-08-27 02:49:30 PM

Control Number - 51830

ItemNumber - 23

PUC PROJECT NO. 51830

**REVIEW OF CERTAIN RETAIL § PUBLIC UTILITY COMMISSION
ELECTRIC CUSTOMER §
PROTECTION RULES § OF TEXAS**

JOINT ERCOT TDU COMMENTS TO PROPOSED AMENDMENTS AND NEW RULE

Transmission and distribution utilities Texas-New Mexico Power Company, CenterPoint Energy Houston Electric, LLC, Oncor Electric Delivery Company LLC, and AEP Texas Inc. (collectively “Joint ERCOT TDUs”) provide these comments in response to the Public Utility Commission of Texas’s proposed amendments to existing 16 Texas Administrative Code (TAC) §25.43, 25.471, 25.475, 25.479, and 25.498 as well as proposed new 16 TAC §25.499, relating to Acknowledgement of Risk Requirements for Certain Commercial Contracts. These comments are timely filed on August 27, 2021.

I. General Comments

The Joint ERCOT TDUs appreciate the opportunity to comment on the above referenced amendments and new rule and support the Commission’s effort to enhance end-use customer protection and knowledge. Specifically, the Joint ERCOT TDUs focus their comments on proposed amendments to 16 TAC §25.475(h)(4) referencing end-use consumer’s access to information concerning load shed, type of customers and procedure to be considered for critical care or critical load, and reducing electricity use at times when involuntary load shed events may be implemented from electric utilities and retail electric providers (“REPs”). However, while the Joint ERCOT TDUs support enhancing customer knowledge and protection, any retroactive effective date for their compliance with any new rule or amendment is not supported.

II. Specific Comments

Proposed 16 TAC §25.475(h)(4) requires an electric utility to provide REPs with information on its procedures for implementing involuntary load shedding and host that information on the

utility's website. Joint ERCOT TDUs support efficiently communicating such information to the REP community. Therefore, the Joint ERCOT TDUs have prepared a uniform template for communicating information on load shedding and associated topics to the REPs ("Template").¹ The Template, attached as Exhibit "A", provides a suitable vehicle for concisely and consistently transmitting the required information. As referenced in the Template, each Joint ERCOT TDU will host the information contained in the Template on their respective websites.

However, Joint ERCOT TDUs note that directing REPs and their end-use customers to TDU websites works best for those that have consistent computer access. There may be some end-use customers with little or no computer access. Additionally, during some extreme weather events, end-use customers may lose cellular and internet access as well. Unless such end-use customers have retained bill inserts on these topics provided under §25.479(d), some end-use customers may not have access to a utility's load shed and related information under such circumstances.

Joint ERCOT TDUs do not, however, support the September 1, 2021 deadline for TDUs to provide their load shed information on a website. Such a deadline will be **before** this new rule is adopted, as well as prior to reply comments (September 7, 2021) and the public hearing date (September 14, 2021). It is improper for a new (or amended) rule to impose a retroactive deadline for compliance. Rather, any compliance deadline should be a reasonable timeframe after the new rule is effective, thereby giving TDUs the time to ensure they can comply with whatever requirements are imposed by the new rule.

¹ In addition to load shedding information, the Template also includes other information required by SB3's changes to PURA § 17.003 (i.e., information about "the types of customers who may be considered critical care residential customers, critical load industrial customers, or critical load": "the procedures for a customer to apply to be considered a critical care residential customer, a critical load industrial customer, or critical load"; and "reducing electricity use at times when involuntary load shedding events may be implemented").

III. Conclusion

Joint ERCOT TDUs appreciate the opportunity to comment on the proposed rule and rule amendments in this Project and support the communication of information required by 16 TAC §25.475(h)(4) as set forth in these comments.

Respectfully submitted,

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EXHIBIT A

Important Information About Electricity Load Shedding and What It Could Mean to You

The Electric Reliability Council of Texas (ERCOT) manages the flow of electric power to more than 26 million Texas customers. ERCOT is responsible for ensuring that the supply of electricity is sufficient to meet customer demand (load) for electricity in most of the state.

When electric supply provided by all available power generation plants, wind farms and other sources becomes insufficient to meet customer demand, ERCOT begins emergency operations. During a power emergency when electric supply cannot meet consumer demand for electricity and all other operational tools have been exhausted, the demand for electricity must be reduced to avoid uncontrolled blackouts. As a last resort, ERCOT will instruct electric utilities to implement controlled customer outages to reduce the customer demand for electricity on the ERCOT grid. This is referred to as load shed and will last until the power emergency is resolved by ERCOT.

Typically, before calling for controlled customer outages, ERCOT takes steps to reduce the demand on the electric grid by asking customers to reduce electric usage. Electric utilities, including <company name>, are obligated to immediately implement load shed procedures when ERCOT instructs.

During customer load shed events:

- All customers should assume their power could go out without advanced warning. Efforts will be made, as much as possible, to provide advanced notification of pending outages, but circumstances do not always allow that to happen.
- Customers designated as Critical Load, in accordance with PUC §25.497, are not guaranteed an uninterrupted supply of electricity. It is the responsibility of the retail customer to make necessary arrangements for alternative sources of electric power should a localized outage or load shed event occur.
- Residential customers dependent on electric-powered medical equipment, such as those designated as Critical Care or Chronic Condition, in accordance with PUC §25.497, are encouraged to have a solid back-up plan in the event they lose electricity. It is important to note that these customers are not excluded from controlled outages and may lose power during a load shed event. Anyone who depends on electricity for life-sustaining equipment should have a back-up plan in place.
- The procedure for a customer to apply to be considered a critical care residential customer, a critical load industrial customer, or critical load according to commission rules, can be found on <company name>'s website at: <link>.

- Electric utilities will prioritize continuity of service for certain customers whose service is critical to the community during an emergency or those whose service provides major support to the integrity of the electric system during an emergency. Examples include hospitals, major airports, and 911.
- Because a load shed event is an emergency order from ERCOT based on a shortfall of electricity being generated, electric utilities, including <Company name>, do not have the information to be able to notify individual customers if they may lose power, when they may lose power or how long the load shed event may last.
- In extreme power emergencies, ERCOT may require electric utilities to shed large amounts of load over long periods of time. In these instances, electric utilities like <Company name> may not have the ability to rotate outages without risking the stability of the entire electric grid. When this happens, some customers may be without power for an extended period of time. These outages are critical for ensuring the integrity of the state's electric grid and preventing a system-wide blackout, which could be long-lasting and have a significant impact on all aspects of life.
- Electric utilities are required to continue to comply with ERCOT controlled customer outage instructions until ERCOT determines that outages are no longer required.
- The Public Utility Commission of Texas website ([Hot and Cold Weather, and General Energy-Saving Tips](#)) provides examples for customers to reduce electricity use at times when involuntary load shedding events may be implemented.

Regardless of the nature of the load shedding event, <Company name> is committed to ensuring the safe and reliable delivery of electricity to its customers 24-hours-per-day, 7-days-per-week. While the company may not control the issues or conditions that have required ERCOT's order to shed load, we will do everything in our power to restore electricity when we are able to safely do so. In addition, we will work to keep our customers informed about the situation through local media outlets, social media, and direct communications to you.