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Addendum StartPage: 0

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PUBLIC UTILITY COMMISSION
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OPEN MEETING COVER SHEET

MEETING DATE: January 31, 2020

DATE DELIVERED: January 24, 2020

AGENDA ITEM NO.: 09

CAPTION: Project No. 21072 – Goal for Natural Gas –
Waiver of Filing Requirements and Annual
Report for 2020

DESCRIPTION: Discussion and possible action with respect
to request for waiver

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54

Public Utility Commission of Texas

Memorandum

TO: Chairman DeAnn T. Walker
Commissioner Arthur C. D'Andrea
Commissioner Shelly Botkin

FROM: Werner Roth, Market Economist
Market Analysis Division

DATE: January 24, 2020

RE: Open Meeting January 31, 2020, Agenda Item No. 09
Project No. 21072, *Goal for Natural Gas*, Waiver of Filing
Requirements and Annual Report for 2020

Public Utility Regulatory Act¹ (PURA) § 39.9044 establishes the Goal for Natural Gas to be at least 50 percent of the megawatts (MW) of generating capacity installed in Texas after January 1, 2000, excluding renewable capacity. Additionally, 16 Texas Administrative Code (TAC) § 25.172(e) requires the Commission to activate a natural gas energy trading credits program if it determines the proportion of new generating capacity fueled by natural gas may fall below a benchmark of 55%. Staff's current estimate indicates that at least 84.5% of new generating capacity is or will be fueled by natural gas. Therefore, Staff requests a waiver of annual reporting requirements intended to facilitate a calculation whether the 55% benchmark may be breached.

Specifically, Staff recommends a waiver of 16 TAC § 25.172(h)(1) and (h)(3) for reports due in 2020, including:

- filings due from generators² by February 14, 2020 concerning their new and planned generating facilities since January 1, 2000; and
- an annual report to be published by the Commission on or before May 15, 2020 showing the current and projected fuel mix of generation installed in Texas since January 1, 2000.

New Non-Renewable Generating Capacity Since January 1, 2000

Staff maintains information about new generation in Texas by fuel type that is available on the Commission's website.³ Attachment 1 to this memo lists all new non-renewable generating capacity in Texas since 2000. Attachment 2 lists new non-renewable generating capacity that

¹ Public Utility Regulatory Act, Tex. Util. Code Ann. §§ 11.001-66.016 (PURA).

² The term "generators" includes registered power generation companies, municipally owned utilities, and electric cooperatives.

³ See "New Electric Generating Plants in Texas Since 1995" at the following location:
<http://puc.texas.gov/industry/electric/reports/Default.aspx>

may come online by the end of 2022 and all new coal, lignite, or nuclear generation that may come online by 2024. The aggregated results are included on the table below.

New Non-Renewable Nameplate Generating Capacity Since January 1, 2000						
	Actual (MW)		Estimated (MW)			
	2000-2019	Percent	2020-2022	Percent	2000-2022	Percent
Natural Gas	46,067	91.2%	6,004	54.1%	52,071	84.5%
Coal, Lignite, & Nuclear	4,266	8.4%	0	0.0%	4,266	6.9%
Other⁴	170	0.3%	5,103	45.9%	5,273	8.6%
Total	50,503		11,107		61,610	

The data shows that natural gas will be the fuel source for at least 84.5 percent of new non-renewable generating capacity through 2022. This is well above the 55 percent threshold trigger for establishing a natural gas energy credits trading program. Due to similar findings in the past, the Commission has granted a waiver of the reporting requirements annually since 16 TAC § 25.172 was adopted in 1999. Therefore, the Commission may also wish to consider whether to amend the rule.

Commission Action

If the Commission waives the filing requirement and annual report for 2020, Generators would not be required to file information regarding new non-renewable capacity until 2021. Staff has attached a proposed Order that would waive the filing requirement and annual report.

If the Commission does not waive these requirements, Staff requests an extension to March 16, 2020 for generators to file the required information. In addition, Staff also requests that generators be allowed to file the information in Project No. 21072 using a reasonable format together with a cover letter, signed by an officer of the company, attesting to the accuracy of the information.

Background

16 TAC § 25.172(e) requires the Commission to activate a natural gas energy trading credits program if it determines that, within three years from the date of the evaluation, new generating capacity in Texas fueled primarily by natural gas may fall below 55% of all new non-renewable generating capacity since January 1, 2000. To verify compliance with the relevant statute and rules, by February 14th of each year, generators are required to file information on existing and forecasted generation facilities that have been built since January 1, 2000. The Commission is required to publish the aggregate form of this information, including calculations that show whether the prior year's generating capacity in Texas is in compliance.

⁴ All of the new capacity in the "Other" category comes from energy storage resources.

Attachment 1
New Generating Capacity Since January 1, 2000

Plant Name	Unit	Nameplate Capacity (MW)	Primary Fuel	In Service
Arthur Von Rosenberg	1	175	NG	2000
Arthur Von Rosenberg	2	175	NG	2000
Arthur Von Rosenberg	3	200	NG	2000
Bosque County Peaking	GT-1	154	NG	2000
Bosque County Peaking	GT-2	154	NG	2000
Frontera Energy Center	GEN3	185	NG	2000
Gregory Power Facility	GT1A	166	NG	2000
Gregory Power Facility	GT1B	166	NG	2000
Gregory Power Facility	STG	100	NG	2000
Guadalupe Generating Station	CTG1	184.6	NG	2000
Guadalupe Generating Station	CTG2	184.6	NG	2000
Guadalupe Generating Station	CTG3	184.6	NG	2000
Guadalupe Generating Station	CTG4	184.6	NG	2000
Guadalupe Generating Station	STG1	201.9	NG	2000
Guadalupe Generating Station	STG2	201.9	NG	2000
Hidalgo Energy Center	CTG1	207	NG	2000
Hidalgo Energy Center	CTG2	207	NG	2000
Hidalgo Energy Center	STG1	233	NG	2000
J Robert Massengale	8	40	NG	2000
Lamar Power Project	CTG1	171.7	NG	2000
Lamar Power Project	CTG2	171.7	NG	2000
Lamar Power Project	CTG3	171.7	NG	2000
Lamar Power Project	CTG4	171.7	NG	2000
Lamar Power Project	STG1	202	NG	2000
Lamar Power Project	STG2	202	NG	2000
Midlothian Energy Facility	STK1	289	NG	2000
Midlothian Energy Facility	STK2	289	NG	2000
Midlothian Energy Facility	STK3	289	NG	2000
Midlothian Energy Facility	STK4	289	NG	2000
Mustang Station	GEN3	172.6	NG	2000
Pasadena Cogeneration	CTG2	185	NG	2000
Pasadena Cogeneration	CTG3	185	NG	2000
Pasadena Cogeneration	STG2	185	NG	2000
Sabine Cogen	CTG1	37.2	NG	2000
Sabine Cogen	CTG2	37.2	NG	2000
Sabine Cogen	STG	27	NG	2000
Sweeny Cogen Facility	GEN4	143	NG	2000
Tenaska Frontier Generation Station	GTG1	183.2	NG	2000
Tenaska Frontier Generation Station	GTG2	183.2	NG	2000
Tenaska Frontier Generation Station	GTG3	183.2	NG	2000
Tenaska Frontier Generation Station	STG1	390.1	NG	2000
Bosque County Peaking	GT-3	154	NG	2001
Bosque County Peaking	GT-4	95	NG	2001
Channel Energy Center	CTG1	215	NG	2001
Channelview Cogeneration Plant	GT4	192.1	NG	2001
Eastman Cogeneration Facility	GEN1	170	NG	2001
Eastman Cogeneration Facility	GEN2	170	NG	2001
Eastman Cogeneration Facility	GEN3	127.7	NG	2001
Exelon LaPorte Generating Station	GT1	59	NG	2001
Exelon LaPorte Generating Station	GT2	59	NG	2001
Exelon LaPorte Generating Station	GT3	59	NG	2001
Exelon LaPorte Generating Station	GT4	59	NG	2001
Lost Pines 1 Power Project	CTA	195.5	NG	2001

New Generating Capacity Since January 1, 2000

Lost Pines 1 Power Project	CTB	195.5	NG	2001
Lost Pines 1 Power Project	ST	204	NG	2001
Midlothian Energy Facility	STK5	289	NG	2001
Midlothian Energy Facility	STK6	289	NG	2001
Odessa Ector Generating Station	CTG1	171.7	NG	2001
Odessa Ector Generating Station	CTG2	171.7	NG	2001
Odessa Ector Generating Station	CTG3	171.7	NG	2001
Odessa Ector Generating Station	CTG4	171.7	NG	2001
Odessa Ector Generating Station	STG1	224.2	NG	2001
Odessa Ector Generating Station	STG2	224.2	NG	2001
Ray Olinger	4	82.7	NG	2001
Sand Hill	SH1	51.4	NG	2001
Sand Hill	SH2	51.4	NG	2001
Sand Hill	SH3	51.4	NG	2001
Sand Hill	SH4	51.4	NG	2001
Silas Ray	DG-2	1.3	DFO	2001
Silas Ray	DG-3a	1.3	DFO	2001
Silas Ray	DG-3b	1.3	DFO	2001
Silas Ray	DG-4	1.3	DFO	2001
Silas Ray	DG-6a	1.3	DFO	2001
Silas Ray	DG-6b	1.3	DFO	2001
Silas Ray	DG-7a	1.3	DFO	2001
Silas Ray	DG-7b	1.3	DFO	2001
SRW Cogen LP	GT1A	180	NG	2001
SRW Cogen LP	GT1B	180	NG	2001
SRW Cogen LP	ST1A	145	NG	2001
Tenaska Gateway Generating Station	GTG1	183.2	NG	2001
Tenaska Gateway Generating Station	GTG2	183.2	NG	2001
Tenaska Gateway Generating Station	GTG3	183.2	NG	2001
Tenaska Gateway Generating Station	STG1	390	NG	2001
Bastrop Energy Center	0001	221.4	NG	2002
Bastrop Energy Center	0002	221.4	NG	2002
Bastrop Energy Center	0003	285	NG	2002
Baytown Energy Center	CTG1	210	NG	2002
Baytown Energy Center	CTG2	214.8	NG	2002
Baytown Energy Center	CTG3	214.8	NG	2002
Baytown Energy Center	STG1	275	NG	2002
Channel Energy Center	CTG2	215	NG	2002
Channel Energy Center	ST-1	285	NG	2002
Channelview Cogeneration Plant	GT1	192.1	NG	2002
Channelview Cogeneration Plant	GT2	192.1	NG	2002
Channelview Cogeneration Plant	GT3	192.1	NG	2002
Channelview Cogeneration Plant	ST1	149.9	NG	2002
Corpus Christi Energy Center	CT1	190	NG	2002
Corpus Christi Energy Center	CT2	190	NG	2002
Corpus Christi Energy Center	ST1	195.5	NG	2002
Ennis Tractebel Power LP	GT1	285	NG	2002
Ennis Tractebel Power LP	ST1	133	NG	2002
Formosa Utility Venture Ltd	ST3	55	NG	2002
Freeston Power Generation LP	GT1	166.7	NG	2002
Freeston Power Generation LP	GT2	166.7	NG	2002
Freeston Power Generation LP	GT3	166.7	NG	2002
Freeston Power Generation LP	GT4	166.7	NG	2002
Freeston Power Generation LP	ST3	184.6	NG	2002
Freeston Power Generation LP	ST6	184.6	NG	2002
Hays Energy Project	U1	241.7	NG	2002

Attachment 1
New Generating Capacity Since January 1, 2000

Hays Energy Project	U2	241.7	NG	2002
Hays Energy Project	U3	252.8	NG	2002
Hays Energy Project	U4	252.8	NG	2002
Magic Valley Generating Station	CTG1	267	NG	2002
Magic Valley Generating Station	CTG2	267	NG	2002
Magic Valley Generating Station	STG	267	NG	2002
Rio Nogales Power Project	CTG1	175	NG	2002
Rio Nogales Power Project	CTG2	175	NG	2002
Rio Nogales Power Project	CTG3	175	NG	2002
Rio Nogales Power Project	STG1	373.2	NG	2002
Brazos Valley Generating Facility	CTG1	200	NG	2003
Brazos Valley Generating Facility	CTG2	200	NG	2003
Brazos Valley Generating Facility	STG1	275.6	NG	2003
Cottonwood Energy Project	CT1	178	NG	2003
Cottonwood Energy Project	CT2	178	NG	2003
Cottonwood Energy Project	CT3	178	NG	2003
Cottonwood Energy Project	CT4	178	NG	2003
Cottonwood Energy Project	ST1	156	NG	2003
Cottonwood Energy Project	ST2	156	NG	2003
Cottonwood Energy Project	ST3	156	NG	2003
Cottonwood Energy Project	ST4	156	NG	2003
Deer Park Energy Center	CTG1	180	NG	2003
Deer Park Energy Center	CTG2	180	NG	2003
Formosa Utility Venture Ltd	TBG6	85.9	NG	2003
Forney Energy Center	ST1	382.5	NG	2003
Forney Energy Center	ST2	382.5	NG	2003
Forney Energy Center	U1	169.8	NG	2003
Forney Energy Center	U2	169.8	NG	2003
Forney Energy Center	U3	169.8	NG	2003
Forney Energy Center	U4	169.8	NG	2003
Forney Energy Center	U5	169.8	NG	2003
Forney Energy Center	U6	169.8	NG	2003
Green Power 2	ST1	110	NG	2003
Green Power 2	TR1	167	NG	2003
Green Power 2	TR2	167	NG	2003
Green Power 2	TR3	167	NG	2003
Harrison County Power Project	GT-1	170	NG	2003
Harrison County Power Project	GT-2	170	NG	2003
Harrison County Power Project	ST-1	230	NG	2003
Sam Rayburn	7	49.2	NG	2003
Sam Rayburn	8	49.2	NG	2003
Sam Rayburn	9	49.2	NG	2003
Sam Rayburn	10	42	NG	2003
Wolf Hollow I LP	CTG1	264.8	NG	2003
Wolf Hollow I LP	CTG2	264.8	NG	2003
Wolf Hollow I LP	ST	280	NG	2003
Dansby	2	49.1	NG	2004
Deer Park Energy Center	CTG3	180	NG	2004
Deer Park Energy Center	CTG4	180	NG	2004
Deer Park Energy Center	STG1	276	NG	2004
Domain Plant	DOMG1	5	NG	2004
ExxonMobil Baytown Turbine	GEN5	165	NG	2004
ExxonMobil Beaumont Refinery	TG43	163	NG	2004
Leon Creek	CGT1	57.4	NG	2004
Leon Creek	CGT2	57.4	NG	2004
Leon Creek	CGT3	57.4	NG	2004

Attachment 1
New Generating Capacity Since January 1, 2000

Leon Creek	CGT4	57.4	NG	2004
Sand Hill	5A	198	NG	2004
Sand Hill	5C	190	NG	2004
Silas Ray	10	61	NG	2004
Wise County Power LP	GT1	242	NG	2004
Wise County Power LP	GT2	242	NG	2004
Wise County Power LP	GT3	262	NG	2004
ExxonMobil Beaumont Refinery	TG41	163	NG	2005
ExxonMobil Beaumont Refinery	TG42	163	NG	2005
Houston Chemical Complex Battleground	GT3	81	NG	2005
Big Spring Carbon Plant		20	NG	2006
Jack Energy Facility	CT1	170	NG	2006
Jack Energy Facility	CT2	170	NG	2006
Jack Energy Facility	ST1	300	NG	2006
Mustang Station Unit	4	170	NG	2006
Robert Mueller Energy Center	DG1	1.5	DFO	2006
Robert Mueller Energy Center	CT1	4.6	NG	2006
Colorado Bend Energy Center	1	275	NG	2007
Freeport Energy Center		236	NG	2007
Mustang Station Unit	5	170	NG	2007
Quail Run Energy Center	1	275	NG	2007
Colorado Bend Energy Center	2	275	NG	2008
Laredo Peaking Power Plant		193	NG	2008
Quail Run Energy Center	2	275	NG	2008
Victoria		332	NG	2008
Barney Davis	2	360	NG	2009
Bosque Expansion		255	NG	2009
Cedar Bayou	4	550	NG	2009
Cypress		150	NG	2009
Dansby	3	48	NG	2009
J K Spruce	2	750	Coal	2009
Jacinto		150	NG	2009
Nueces Bay		677	NG	2009
Oak Grove	1	855	Coal	2009
Pearsall Phase 1		100	NG	2009
Sandow	5	581	Coal	2009
Texas City		250	NG	2009
Winchester Power Park		200	NG	2009
Oak Grove	2	855	Coal	2010
Pearsall Phase 2		100	NG	2010
Sand Hill Expansion		94	NG	2010
VH Braunig	6	185	NG	2010
Engine Plant		50	NG	2010
Texas Medical Center		50	NG	2010
Newman	5	288	NG	2011
Antelope Station		170	NG	2011
Jones		168	NG	2011
Gulf Coast H2 Plant		7	NG	2011
Jack County		620	NG	2011
Point Comfort		300	Petcoke	2011
Notrees		36	Storage	2012
Jones	4	168	NG	2013
Mustang	6	168	NG	2013
Parish Addition		75	NG	2013
Sandy Creek	1	925	Coal	2013
Channel Energy Center		260	NG	2014

Attachment 1
New Generating Capacity Since January 1, 2000

Deer Park Energy Center		260	NG	2014
Ferguson Replacement		540	NG	2014
Panda Sherman Power		758	NG	2014
Panda Temple Power I		758	NG	2014
Rentech		15	NG	2014
Montana Power Station 1-2		176	NG	2015
Panda Temple Power II G		717	NG	2015
Ector County Energy Center		341	NG	2015
Montana Power Station 3		88	NG	2016
Antelope Elk Energy 2		202	NG	2016
Antelope Elk Energy 3		202	NG	2016
Antelope Elk Energy Center 1		369	NG	2016
Sky Global Power One		51	NG	2016
Montana Power Station 4		88	NG	2016
Red Gate		225	NG	2016
Rabbit Hill Energy Storage		10	Storage	2016
Wolf Hollow 2		1118	NG	2017
Colorado Bend II		1148	NG	2017
Blue Summit Battery		30	Storage	2017
Stargate Point Comfort		100	NG	2017
Elbow Creek Energy Storage		2	Storage	2017
Pyron Storage		10	Storage	2018
Inadale Storage		10	Storage	2018
BTE (Baytown Chiller)		270	NG	2018
Denton Energy Center		226	NG	2018
BAC		390	NG	2018
FEGC		129	NG	2018
Commerce ESS Battery Storage		10	Storage	2019
VictPort		100	NG	2019
LEVEE (Freeport LNG)		11	NG	2019
Castle Gap Battery		10	Storage	2019
Flat Top Battery		10	Storage	2019
Port Lavaca Battery		10	Storage	2019
Prospect Storage		10	Storage	2019
Worsham Battery		10	Storage	2019
Natural Gas Capacity		46,067	91.2%	
Coal, Lignite, and Nuclear Capacity		4,266	8.4%	
Other Capacity		170	0.3%	
Total Generating Capacity Installed Since 2000		50,503		

Attachment 2
Potential New Generation by 2021

Plant Name	Nameplate Capacity (MW)	Primary Fuel	In Service	Region
NA	12	NG	2018	ERCOT
CityVict	100	NG	2019	ERCOT
Hudson (Ineos/Brazoria)	96	NG	2019	ERCOT
MIRAGE	11	NG	2020	ERCOT
Formosa Increase	240	NG	2020	ERCOT
Old Bloomington Road	100	NG	2020	ERCOT
Greens Bayou Expansion	140	NG	2020	ERCOT
Sparkl BESS	20	Storage	2020	ERCOT
Angus Storage	63	Storage	2020	ERCOT
Ryan Energy Storage	47	Storage	2020	ERCOT
SP TX-12B Phase IV	25	Storage	2020	ERCOT
Chisholm Grid	200	Storage	2020	ERCOT
High Lonesome BESS	50	Storage	2020	ERCOT
Queen BESS	50	Storage	2020	ERCOT
Snyder BESS	17	Storage	2020	ERCOT
Big Hat	30	Storage	2020	ERCOT
PES1	484	NG	2020	ERCOT
Brazos BESS 2	50	Storage	2020	ERCOT
Eunice Storage	40	Storage	2020	ERCOT
Half Moon Battery	30	Storage	2020	ERCOT
John Paul Jones	19	NG	2020	ERCOT
Millhouse Storage	38	Storage	2020	ERCOT
North Fork	100	Storage	2020	ERCOT
River Valley Storage 1	50	Storage	2020	ERCOT
River Valley Storage 2	50	Storage	2020	ERCOT
Robles Storage	100	Storage	2020	ERCOT
Elmer	100	Storage	2021	ERCOT
El Zorro Storage	127	Storage	2021	ERCOT
Friendswood II	117	NG	2021	ERCOT
DeCordova BESS addition	263	Storage	2021	ERCOT
Avocet	150	NG	2021	ERCOT
Bat Cave	100	Storage	2021	ERCOT
Gambit	100	Storage	2021	ERCOT
Altajac	150	NG	2021	ERCOT
GoodAlta	150	NG	2021	ERCOT
Montezuma Storage	47	Storage	2021	ERCOT
Deepwater	462	NG	2021	ERCOT
Chamon 2	100	NG	2021	ERCOT
HERON1	150	NG	2021	ERCOT
Volunteer Storage	47	Storage	2021	ERCOT
Walstrom	200	NG	2021	ERCOT
Air Products	0	NG	2021	ERCOT
Alwest	200	NG	2021	ERCOT
Madero Grid	202	Storage	2021	ERCOT
Zier Storage	20	Storage	2021	ERCOT
Azure Sky BESS	77	Storage	2021	ERCOT
Braes Power Plant	484	NG	2021	ERCOT
Holstein 2 Energy Storage	100	Storage	2021	ERCOT

Attachment 2
Potential New Generation by 2021

Republic Road Storage	50	Storage	2021	ERCOT
Silicon Hill Storage	100	Storage	2021	ERCOT
Sisters Storage	504	Storage	2021	ERCOT
Topaz Power Plant	605	NG	2021	ERCOT
Brandon	22	NG	2021	ERCOT
R Massengale	60	NG	2021	ERCOT
Byrd Ranch Storage	47	Storage	2021	ERCOT
Chariot Storage	47	Storage	2021	ERCOT
Edgewater Storage	47	Storage	2021	ERCOT
Montgomery County Power Station (MCPS)	993	NG	2021	MISO
Red Holly Storage	50	Storage	2021	ERCOT
Roughneck Storage	50	Storage	2021	ERCOT
Endurance Park Storage	52	Storage	2021	ERCOT
Green Holly Storage	50	Storage	2021	ERCOT
Independence Trail Storage	100	Storage	2021	ERCOT
AltaRanch	300	NG	2021	ERCOT
CullenAlta	300	NG	2021	ERCOT
MykawaAlta	300	NG	2021	ERCOT
Anchor BESS	105	Storage	2021	ERCOT
Galloway 2 Storage	110	Storage	2021	ERCOT
Grandfalls Storage	206	Storage	2021	ERCOT
Juanita Hill Storage	209	Storage	2021	ERCOT
Mercury Storage	206	Storage	2021	ERCOT
Brushy Creek Storage	28	Storage	2021	ERCOT
Knickerbocker Storage	25	Storage	2021	ERCOT
Lunis Creek Storage 1	81	Storage	2021	ERCOT
Lunis Creek Storage 2	81	Storage	2021	ERCOT
Old 300 Storage	50	Storage	2021	ERCOT
Vortex BESS	120	Storage	2021	ERCOT
Westoria Storage	58	Storage	2021	ERCOT
PetroLogistics PDH	60	NG	2022	ERCOT
Dexter Storage	325	Storage	2022	ERCOT
Voyager Storage	50	Storage	2022	ERCOT
Adamstown Storage	116	Storage	2022	ERCOT
Cane Flats Storage	41	Storage	2022	ERCOT
Pisgah Ridge Storage	51	Storage	2022	ERCOT
Natural Gas Capacity	6,004	54.1%		
Coal, Lignite, and Nuclear Capacity	0	0.0%		
Other Capacity	5,103	45.9%		
Potential Non-renewable Capacity 2020-2024	11,108			
Notes				
1. Information is compiled from various public sources. Although limited information is available concerning the above projects, the respective project developer may not have formally announced the project or made a commitment to build it. Some projects may already be under construction, but there is no assurance that any of the above projects will reach commercial operation.				
2. Information on ERCOT facilities is pulled from the latest ERCOT Generator Interconnection Status Report. The expected in-service dates for some of the facilities have already passed and have yet to be updated.				

Attachment 2
Potential New Generation by 2021

3. Coal, Lignite, and Nuclear capacity is shown for the years 2020-2024.

PUC DOCKET NO. 21072

GOAL FOR NATURAL GAS

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PUBLIC UTILITY COMMISSION

OF TEXAS

**ORDER GRANTING EXCEPTIONS TO THE ANNUAL REPORT AND PUBLISHING
REQUIREMENTS IN 16 TEXAS ADMINISTRATIVE CODE § 25.172**

This Order addresses the recommendation of Commission Staff to grant an exception for two provisions in the Commission's rules. Commission Staff recommends that the Commission grant an exception to the requirement in 16 Texas Administrative Code (TAC) § 25.172(h) that each registered power generation company, municipally owned utility, and electric cooperative file a report by February 14, 2020 concerning generation capacity fueled by natural gas. In addition, Commission Staff recommends that the Commission grant an exception to the requirement in 16 TAC § 25.172(h) that the Commission publish information regarding compliance with the goals for natural gas usage. For the reasons discussed in this Order, the Commission finds good cause and grants an exception to both of these requirements.

The Texas Legislature directed the Commission to establish a natural gas energy credits trading program to comply with the Legislature's intent that 50% of the generating capacity (excluding capacity for renewable energy technologies) installed in this state after January 1, 2000 use natural gas.¹ By rule, the trading program is activated if the Commission determines that, within the next three years, new generating capacity fueled by natural gas may fall below 55% of all new generating capacity in this state.² To allow the Commission to make this determination, each registered power generation company, municipally owned utility, and electric cooperative must file, by February 14 of each year, information regarding new generating facilities, forecasted generation additions, and data on holdings of natural gas energy credits.³ In addition, the Commission is required to publish, by May 15 of each year, in aggregate form, the information

¹ Public Utility Regulatory Act, Tex. Util. Code § 39.044 (PURA).

² 16 Tex. Admin. Code (TAC) § 25.172(e).

³ 16 TAC § 25.172(h).

submitted in the annual reports, including calculations that show whether new generating capacity and forecasted capacity is in compliance with the rule.⁴

The Commission tracks the installation and announcements of new power plants in Texas, and the mothballing and retirement of power plants. It compiles information of the type required in the annual reports, and publishes this information on the Commission's website.⁵ Of the new generating capacity completed since January 1, 2000, over 91% was fueled by natural gas.⁶ Based on estimates of generation that could potentially be built over the next three years, by 2022, at least 84.5% of the generating capacity added in this state since January 1, 2000 will be fueled by natural gas.⁷

The amount of generating capacity fueled by natural gas currently exceeds, and is expected to continue to exceed, by a large margin, the 50% target established by the Legislature⁸ and the 55% trigger to activate the trading program established in the Commission's rule.⁹ Accordingly, the Commission finds good cause to grant an exception to the annual report requirement due by February 14, 2020. In addition, the Commission finds good cause to grant an exception to the requirement to publish information by May 15, 2020 showing that the generating capacity in Texas is in compliance with the goal for natural gas established in 16 TAC § 25.172.

⁴ 16 TAC § 25.172(h)(3).

⁵ New Electric Generating Plants in Texas since 1995, <http://www.puc.texas.gov/industry/electric/reports/genplant/gentable.xls>.

⁶ Commission Staff Memorandum at 2 (Jan. 24, 2020).

⁷ *Id.*

⁸ PURA § 39.044(a); *see also* 16 TAC § 25.172(b).

⁹ 16 TAC § 25.172(e).

Signed at Austin, Texas the _____ day of January 2020.

PUBLIC UTILITY COMMISSION OF TEXAS

DEANN T. WALKER, CHAIRMAN

ARTHUR C. D'ANDREA, COMMISSIONER

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