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SOAH DOCKET NO. 473-15-3595
DOCKET NO. 44547

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APPLICATION OF CENTERPOINT	§	BEFORE THE STATE OFFICE
ENERGY HOUSTON ELECTRIC, LLC	§	
TO AMEND A CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY FOR	§	OF
A PROPOSED 345-KV TRANSMISSION	§	
LINE WITHIN GRIMES, HARRIS, AND	§	
WALLER COUNTIES	§	ADMINISTRATIVE HEARINGS

SOAH DOCKET NO. 473-15-3596
DOCKET NO. 44649

APPLICATION OF CROSS TEXAS	§	
TRANSMISSION, LLC TO AMEND A	§	BEFORE THE STATE OFFICE
CERTIFICATE OF CONVENIENCE	§	
AND NECESSITY FOR THE	§	
PROPOSED LIMESTONE TO GIBBONS	§	OF
CREEK 345-KV TRANSMISSION LINE	§	
IN BRAZOS, FREESTONE, GRIMES,	§	
LEON, LIMESTONE, MADISON AND	§	ADMINISTRATIVE HEARINGS
ROBERTSON COUNTIES, TEXAS	§	

ERCOT'S EXCEPTIONS TO THE PROPOSAL FOR DECISION

Electric Reliability Council of Texas, Inc. (ERCOT) submits these Exceptions to the Proposal for Decision (PFD) issued by the SOAH Administrative Law Judges (ALJs) on October 28, 2015. ERCOT supports the PFD's proposed findings and conclusions relating to the need for the Houston Import Project (HIP) and excepts to only one finding of fact—finding 152—which somewhat inaccurately describes the purpose and practice of load scaling.

As proposed, finding of fact 152 suggests that load scaling is necessary whenever the forecasted amount of load inside the study area is greater than the forecasted amount of generation. In fact, as ERCOT witness Jeffrey Billo testified, the need for load scaling is a function of the amount of forecasted load, generation, and operating reserves throughout the *entire system*,

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including the specific study area.¹ Whenever the amount of generation in the system is less than the amount of forecasted load plus the required operating reserve, ERCOT must make some adjustment to load and/or generation values to allow the power flow model to reach a solution.² ERCOT's established method for addressing this imbalance has been to proportionally scale down projected load values in the weather zones outside the study area until the total amount of generation in the system is equal to the total amount of load plus the required operating reserve.³ This methodology thus avoids manipulating the load and generation values in the area under study.

ERCOT therefore proposes the following substitute language for finding of fact 152:

152. For the power flow model to reach a solution, the total amount of generation in the model must equal the total amount of load plus any required operating reserve. When the projected amount of generation is less than the amount of projected load plus the required operating reserve, ERCOT uses load scaling to ensure the power flow model reaches a solution. Load scaling reduces the amount of load outside the area of study to the point where total system generation equals total system load plus the required operating reserve.

ERCOT appreciates the ALJs' thoughtful consideration of the evidence and arguments in this case and requests that the Commission adopt the Proposal for Decision's recommended findings and conclusions concerning need with the change recommended in these Exceptions.

Respectfully submitted,



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¹ ERCOT Ex. 2, Cross-Rebuttal Testimony of Jeffrey Billo, at 6:9-16, 7:10-13.

² ERCOT Ex. 2, Cross-Rebuttal Testimony of Jeffrey Billo, at 7:10-13.

³ ERCOT Ex. 2, Cross-Rebuttal Testimony of Jeffrey Billo, at 7:15-16.

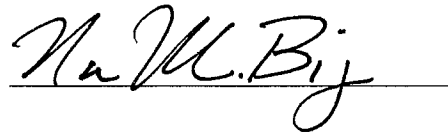
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ATTORNEYS FOR ELECTRIC
RELIABILITY COUNCIL OF TEXAS, INC.

CERTIFICATE OF SERVICE

I hereby certify that a copy of this document was served on all parties of record on November 12, 2015 by hand delivery, e-mail, first-class U.S. mailing, or posting on the Public Utility Commission Interchange, in accordance with the provisions regarding service in SOAH Order Nos. 3 and 7 in this proceeding.

A handwritten signature in cursive script, reading "Nathan M. Bigbee", is written over a horizontal line.