



Control Number: 47552



Item Number: 7

Addendum StartPage: 0

Kenneth W. Anderson, Jr.
Commissioner

Brandy Marty Marquez
Commissioner

Brian H. Lloyd
Executive Director




Greg Abbott
Governor

RECEIVED

2017 AUG 30 PM 4:43

Public Utility Commission of Texas

TO: Central Records

FROM: Stephen Journeay 
Commission Advising & Docket Management, Director

RE: Correspondence related to Docket No. Project No. 47552 – *Issues Related to the Disaster from Hurricane Harvey*

DATE: August 30, 2017

Please filed the attached correspondence in the project referenced above.

Q:\CADM\Memos\Central Records\47552 emergency suspension memo.docx



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1701 N. Congress Avenue PO Box 13326 Austin, TX 78711 512/936-7000 Fax: 512/936-7003 web site: www.puc.texas.gov

7

000001

Journey, Stephen

From: Lloyd, Brian
Sent: Wednesday, August 30, 2017 1:07 PM
To: Journey, Stephen
Subject: FW: PUCT's Second Request for Suspensions
Attachments: PUCT Second Request for Suspensions 083017 (Holiday Beach)final.docx

From: Lloyd, Brian
Sent: Wednesday, August 30, 2017 12:09 PM
To: 'DeAnn Walker'
Subject: PUCT's Second Request for Suspensions

Deanne,

With respect to the provision of power to Texans in the Holiday Beach area, the Public Utility Commission of Texas believes that the following laws could prevent, hinder, or delay restoration of utility service to the area. The PUCT requests that Governor Abbott suspend the application of the following statutes – and any rules promulgated under these statutes – for the limited purpose of enabling AEP Texas to deploy a generation unit to restore power to this area until transmission facilities can be rebuilt. Attached is the draft suspension approval that narrowly tailors it to the provision of service to customers off the Tatton Substation. Below is a brief rationale for each of the provisions we believe need to be suspended.

Public Utility Regulatory Act (PURA) Section 32.101 – provides a requirement that utilities have to file tariffs showing rates for each service. AEP Texas will be providing a non-tariffed service through the provision of generation service. PURA Section 36.004 – provides a restriction that utilities can't provide service at lesser compensation than their tariffed rate. Presumably, AEP Texas will not be billing anyone for transmission and distribution service until they are reconnected to the ERCOT grid.

PURA Section 37.051 – has a requirement for the Commission to issue a Certificate of Convenience and Necessity (CCN) in order to provide service. Normally, a utility would need a CCN to add a new generation facility.

PURA Section 39.051 – requires utilities to unbundle and operate as separate power generation companies, transmission and distribution utilities, and retail electric providers. AEP Texas will in essence be operating as a bundled utility until the transmission is rebuilt.

PURA Section 39.105 – Prohibits a transmission and distribution utility from selling power or otherwise participating in the market except for buying power for its own needs. AEP Texas will be providing power to these customers.

PURA Section 39.157 – Provides certain restrictions on how a transmission and distribution utility can interact with affiliated companies. These requirements could potentially restrict affiliates of AEP Texas from providing and operating the generation unit

PURA Section 39.203 – Provides a requirement that utilities provide open access to the grid on the same terms as affiliates. This should not apply here because we do not want other companies bringing in additional large generation sets.

PURA Section 39.351- requires power generation company to be registered with the Commission in order to operate

PURA Section. 39.352 – requires certification as a retail electric provider certification to provide or sell power at retail in the competitive marketplace

AEP Texas believes this meets their needs to deploy the generation units. I am available if you have questions. 512-936-7040 or 512-608-7957.

Brian

Brian H. Lloyd
Executive Director
Public Utility Commission of Texas
1701 N. Congress Avenue
Austin, Texas 78711

Journey, Stephen

From: Lloyd, Brian
Sent: Wednesday, August 30, 2017 12:37 PM
To: Journey, Stephen
Subject: FW: PUCT's Second Request for Suspensions
Attachments: PUCT Second Request for Suspensions 083017 (Holiday Beach)final.docx; ATT00001.htm

Should file in project.

From: Drew DeBerry [mailto:Drew.DeBerry@gov.texas.gov]
Sent: Wednesday, August 30, 2017 12:34 PM
To: Lloyd, Brian
Cc: DeAnn Walker
Subject: FW: PUCT's Second Request for Suspensions

WARNING: EXTERNAL SENDER. Always be cautious when clicking links or opening attachments.
NEVER provide your user ID or password.

Brian,

The Office of the Governor is in receipt of the Public Utility Commission of Texas' request to temporarily suspend portions of the Texas Utilities Code and the Texas Administrative Code related to the provision of utility service. The Public Utility Commission of Texas asserts these laws could prevent, hinder or delay restoration of utility service or the provision of utility service and protection of life and property in relation to the Tropical Depression Harvey disaster response operations.

In accordance with section 418.016 of the Texas Government Code, the Office of the Governor grants the Public Utility Commission's request to suspend the following provisions of the Texas Administrative Code:

Title II, Utilities Code, Public Utility Regulatory Act Sections 32.101, 36.004, 37.051, 39.051, 39.105, 39.157, 39.203, 39.351, 39.352, and any PUCT regulations promulgated under those sections are suspended only to the extent necessary for AEP Texas to provide electric generation service to the community of Holiday Beach and surrounding areas served off the Tatton Substation until such time that the electric transmission, substation, transformers, and other associated equipment is rebuilt.

*Drew DeBerry
Director of Budget & Policy
Texas Governor Greg Abbott*

From: DeAnn Walker
Sent: Wednesday, August 30, 2017 12:12 PM
To: Drew DeBerry <Drew.DeBerry@gov.texas.gov>; Jimmy Blacklock <Jimmy.Blacklock@gov.texas.gov>
Subject: Fwd: PUCT's Second Request for Suspensions

Thank you. DeAnn Walker

Begin forwarded message:

From: "Lloyd, Brian" <Brian.Lloyd@puc.texas.gov>
Date: August 30, 2017 at 12:09:27 PM CDT
To: DeAnn Walker <DeAnn.Walker@gov.texas.gov>
Subject: PUCT's Second Request for Suspensions

Deanne,

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Brian H. Lloyd
Executive Director
Public Utility Commission of Texas
1701 N. Congress Avenue
Austin, Texas 78711

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Thank you,

DeAnn Walker
Senior Advisor
Office of Governor Greg Abbott