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JOINT REPORT AND APPLICATION §
OF ONCOR ELECTRIC DELIVERY §
COMPANY LLC, SHARYLAND §
DISTRIBUTION & TRANSMISSION §
SERVICES L.L.C., SHARYLAND §
UTILITIES L.P., AND SEMPRA §
ENERGY FOR REGULATORY §
APPROVALS UNDER PURA §§ 14.101, §
37.154, 39.262 AND 39.915 §

**NOTICE OF LATE-FILED TESTIMONY BY
ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.**

TO THE HON. MAYSON PEARSON, ADMINISTRATIVE LAW JUDGE:

The Electric Reliability Council of Texas, Inc. (ERCOT), an intervenor in this matter, files this notice of late-filed testimony, as required by 16 Texas Administrative Code (TAC) § 22.225(a)(11), and would show as follows:

The deadline for filing intervenor direct testimony in this matter was March 5, 2019. On that date, ERCOT filed the direct testimony of William Blevins. Subsequent to that filing, ERCOT learned of new information that impacts Mr. Blevins' testimony. Accordingly, ERCOT is filing a supplement to Mr. Blevins' direct testimony to clarify the record; this supplemental testimony is attached hereto as **Exhibit 1**.

16 TAC §22.225(a)(11) states that late-filed testimony "may be admitted into evidence if the testimony is necessary for a full disclosure of the facts and admission of the testimony into evidence would not be unduly prejudicial to the legal rights of any party." As noted above, the filing of the attached supplemental testimony is necessary to permit "full disclosure of the facts" in this matter, in light of new information received by ERCOT after the filing of Mr. Blevins' direct testimony. Further, the filing of the attached supplemental testimony is not prejudicial to any party in this matter. The Joint Applicants in this matter have been informed of the nature of

ERCOT's supplemental testimony and are not opposed to it being filed after the deadline for intervenor direct testimony.

To the extent it may be required under 16 TAC §22.225(a)(11), ERCOT respectfully requests that "reasonable procedures and deadlines" regarding the attached testimony be established by the presiding officer in this matter.

Respectfully submitted,

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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 March 27, 2019 by hand delivery, first-class U.S. mail, facsimile, or e-mail.

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JOINT REPORT AND APPLICATION	§	PUBLIC UTILITY COMMISSION
OF ONCOR ELECTRIC DELIVERY	§	
COMPANY LLC, SHARYLAND	§	
DISTRIBUTION & TRANSMISSION	§	OF TEXAS
SERVICES L.L.C., SHARYLAND	§	
UTILITIES L.P., AND SEMPRA	§	
ENERGY FOR REGULATORY	§	
APPROVALS UNDER PURA §§ 14.101,	§	
37.154, 39.262 AND 39.915	§	

SUPPLEMENTAL DIRECT TESTIMONY

OF

WILLIAM BLEVINS

ON BEHALF OF

ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.

March 27, 2019

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ATTACHMENTS

<u>Attachment Number</u>	<u>Description</u>
BB-A	Updated Illustrative Recommended Timeline of Transition

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I.

INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is William “Bill” Blevins. My business address is 2705 West Lake Drive, Taylor, Texas 76574.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by Electric Reliability Council of Texas, Inc. (ERCOT) as Director of Grid Coordination. I have been employed by ERCOT since 2006.

Q. ARE YOU THE WILLIAM BLEVINS THAT SUBMITTED DIRECT TESTIMONY ON MARCH 5, 2019?

A. Yes.

Q. WHAT IS THE PURPOSE OF THIS SUPPLEMENTAL TESTIMONY?

A. The purpose of this supplemental testimony is to provide updated information regarding ERCOT’s position as to the timing of ERCOT’s implementation of the exchange of transmission assets proposed by Oncor Electric Delivery Company, LLC (Oncor), Sharyland Distribution & Transmission Services, L.L.C. (SDTS), and Sharyland Utilities, L.P. (Sharyland) in the application filed in this proceeding. In this supplemental testimony, I use the term “proposed transactions” to refer to the exchange of transmission assets proposed by Oncor, SDTS, and Sharyland, as well as the proposed transfer of transmission operator duties from Sharyland to Oncor for those transmission assets that Sharyland will continue to own after the transactions are completed. Also in this supplemental testimony, I use the terms “transition” or “changeover” to refer to the time at which the changes to the owner

1 and/or operator of the transmission assets, as set out in the proposed transactions,
2 would actually be implemented by ERCOT by informing ERCOT operators that
3 the owner and/or operator for the at-issue assets has changed and by updating
4 ERCOT's internal procedures to reflect this change.

5 **Q. WAS THIS SUPPLEMENTAL TESTIMONY PREPARED BY YOU OR**
6 **UNDER YOUR DIRECT SUPERVISION?**

7 A. Yes.

8 **II.**

9 **UPDATED ERCOT POSITION REGARDING TIMING OF THE TRANSITION**

10 **Q. SINCE THE FILING OF YOUR DIRECT TESTIMONY, HAVE YOU**
11 **LEARNED NEW INFORMATION THAT IMPACTS YOUR PRIOR**
12 **TESTIMONY?**

13 A. Yes.

14 **Q. WHAT IS THE NEW INFORMATION THAT IMPACTS YOUR PRIOR**
15 **TESTIMONY?**

16 A. First, after the filing of my direct testimony ERCOT reconsidered whether it would
17 be possible to begin training ERCOT operators on the operational changes
18 associated with the proposed transactions on an earlier date than stated in my direct
19 testimony. More specifically, although I testified in my direct testimony that this
20 training could not begin until May 13, 2019, ERCOT subsequently determined that
21 it was possible to train its operators on these changes in March and April of this
22 year. As a result of this, ERCOT now has sufficient time to train its operators on
23 the operational changeover associated with the proposed transactions such that

1 ERCOT, if necessary, can begin implementing changes associated with the
2 proposed transactions as early as May 1, 2019. This is a change from the
3 recommended June 5, 2019, transition date that was stated in my direct testimony.

4 Second, since the filing of my direct testimony, Oncor and Sharyland have
5 submitted to ERCOT the model changes needed to update ERCOT's Network
6 Operations Model so that ERCOT can ultimately implement the changeover. This
7 information was submitted to ERCOT on March 15 and 20, 2019. Now that
8 ERCOT has this information, it can begin the process of testing the model changes
9 associated with the operational changeover; this has enabled ERCOT to revise its
10 position with respect to the earliest date it can begin implementing the transmission
11 operator changeover – i.e., May 8, 2019.

12 Third, since the filing of my direct testimony ERCOT has had several
13 conversations with Oncor and Sharyland regarding ERCOT's implementation of
14 the proposed transactions. Through these conversations, ERCOT has learned
15 additional information about Oncor and Sharyland's expected process for
16 implementing the changeover. This includes information regarding: (a) how Oncor
17 will be implementing the changes in telemetry associated with the changeover; (b)
18 the process Oncor intends to use to take over transmission operator responsibilities
19 for the assets Sharyland will continue to own after the proposed transactions
20 complete; and (c) the outages that are expected to be taken in order to accomplish
21 the transmission operator changeover. Among the many issues discussed, ERCOT
22 has become more comfortable with Oncor and Sharyland's plan to transition
23 transmission operator responsibilities for the Railroad DC Tie, because Oncor and

1 Sharyland expect that this operational changeover can be accomplished with a
2 minimal outage of the tie. As a result of this additional information, ERCOT has
3 expanded the window of time during which ERCOT believes it can reliably
4 implement the transmission operator changeover associated with the proposed
5 transactions – i.e., from May 8 to June 30, 2019.

6 **Q. HOW HAS THIS NEW INFORMATION IMPACTED THE TIMELINE**
7 **AND DATES SET OUT IN YOUR DIRECT TESTIMONY?**

8 A. As a result of this new information, ERCOT has revised its recommended timeline
9 for implementing the proposed transactions. This revised timeline is attached to this
10 supplemental testimony as Exhibit A. The key changes in ERCOT’s proposed
11 timeline, as compared to my direct testimony, are as follows:

- 12 • May 1, 2019 - ERCOT can begin implementing changes associated with the
13 proposed transactions as early as May 1, 2019. More specifically, ERCOT plans
14 to begin switching telemetry from Sharyland to Oncor on this date. Based on
15 conversations with Oncor and Sharyland, telemetry will be switched over to
16 Oncor in two phases, which will be one week apart (i.e., May 1 and May 8,
17 2019). This two-phased approach is intended to resolve any issues with the
18 telemetry switchover during the first phase, which will involve a small number
19 of assets, prior to switching telemetry for the bulk of the assets at issue. The
20 foregoing is a change from my direct testimony, in which I indicated that
21 ERCOT would need to accomplish the telemetry switchover on or before June
22 4, 2019. ERCOT expects that the switch in telemetry will be completed on or
23 before the date Oncor actually takes over transmission operator responsibilities

1 for all of the assets at issue in the proposed transactions. Further, ERCOT has
2 determined it can execute the telemetry switchover on May 1 and May 8, 2019,
3 even if the proposed transactions have not yet been approved or closed. If
4 telemetry is switched to Oncor's control center before the proposed transactions
5 are completed, Sharyland will remain the entity responsible under ERCOT
6 Protocols for ensuring there is proper telemetry for its transmission assets until
7 there is an official change in the ownership/operatorship of the assets.

8 • May 8, 2019 – May 8, 2019, is the earliest date ERCOT can implement the
9 changeover of transmission operator responsibility from Sharyland to Oncor that
10 is contemplated by the proposed transactions. In light of Oncor and Sharyland's
11 submission of model updates to ERCOT on March 15 and 20, 2019, ERCOT
12 expects to have these changes incorporated into its live ("production") Network
13 Operations Model on or before May 8, 2019. As of that date, the models will be
14 updated to reflect Oncor and Sharyland as dual operators of the at-issue assets,
15 and ERCOT operators will be instructed as to which of the two listed entities is
16 the responsible operator, based on the current status of the proposed transactions.
17 This May 8, 2019, date is earlier than the June 5, 2019, transition date stated in
18 my direct testimony; this change is a result of the early submission of the model
19 change data by Oncor and Sharyland and further review by ERCOT staff. In
20 light of this earlier model update date, ERCOT will be able to implement the
21 cutover in transmission operator from Sharyland to Oncor for the assets at issue
22 as early as May 8, 2019. However, if the proposed transactions have not yet
23 been approved or completed by May 8, 2019, the operational cutover does not

1 necessarily need to occur on that date. Rather, ERCOT has informed Oncor and
2 Sharyland that ERCOT has the flexibility to implement the operational
3 changeover as early as May 8, 2019, so long as ERCOT receives from Oncor
4 and Sharyland at least three (3) days written notice of the date and operational
5 hour of the operator changeover, as discussed by ERCOT and Joint Applicants.
6 ERCOT has recommended to Oncor and Sharyland that this operational cutover
7 not occur during hours when high Load is expected.

8 • June 30, 2019 – June 30, 2019, is the latest date during ERCOT’s “summer
9 restriction window” (i.e., May 15 to September 15, 2019) that ERCOT believes
10 it can complete the changeover in transmission operator from Sharyland to
11 Oncor without increased risk to the reliability of the ERCOT System during
12 higher Summer Load conditions. If Sharyland and Oncor are not able to
13 complete the proposed transactions and give ERCOT timely notice to complete
14 the transmission operator changeover by June 30, 2019, then ERCOT will not
15 be able to complete the changeover until on or after September 15, 2019.

16 **Q. ARE THERE OTHER CHANGES TO THE PROPOSED DATES SET OUT**
17 **IN YOUR DIRECT TESTIMONY?**

18 Yes. ERCOT has determined that it does not need to receive notice from Oncor and
19 Sharyland prior to the summer restriction window to “undo” the model and
20 telemetry changes associated with the proposed transaction. Rather, if the proposed
21 transactions are ultimately not approved or are not completed, ERCOT can keep in
22 place during the upcoming summer any model changes and telemetry changes that
23 are currently in process as a result of the model change submissions made by

1 Sharyland and Oncor on March 15 and 20, 2019. ERCOT has determined that, if
2 necessary, it can reliably operate the ERCOT System with these changes in place,
3 regardless of whether the proposed transactions are completed. ERCOT notes,
4 however, that if Sharyland and Oncor give ERCOT notice by April 11, 2019, that
5 the proposed transactions will not occur, ERCOT can cancel the model and
6 telemetry changes associated with the proposed transactions before they are
7 actually implemented in ERCOT's live systems. This April 11, 2019, date is a
8 change from the May 6, 2019, rollback date that was stated in my direct testimony.
9 Further, if Sharyland and Oncor, on any date from April 12, 2019, to June 6, 2019,
10 give ERCOT notice that the proposed transactions will not occur, then ERCOT can
11 remove model and telemetry changes associated with the proposed transactions that
12 have been included in the models by June 30, 2019. However, if the proposed
13 transactions do not go forward and ERCOT does not receive notice of this until
14 after June 6, 2019, ERCOT would wait until after the summer restriction window
15 to rollback any model and telemetry changes; this is to avoid making significant
16 changes to the models during months of expected peak Load. The foregoing dates
17 are set out in the attached revised timeline.

18 **Q. IS THERE ANYTHING ELSE YOU WOULD LIKE TO ADD TO**
19 **SUPPLEMENT YOUR DIRECT TESTIMONY?**

20 A. Yes. As a general matter, and based on discussions that have occurred internally at
21 ERCOT and with Oncor and Sharyland since my direct testimony was filed,
22 ERCOT has determined that it has greater flexibility with respect to timing to
23 implement the changes associated with the proposed transactions. As noted above,

1 ERCOT has now determined that it can complete the implementation of all changes
2 associated with the proposed transactions as early as May 8, 2019. However,
3 ERCOT does not need to implement the operational changeover on that date if the
4 proposed transactions have not yet been approved or completed. Rather, and as
5 stated previously, ERCOT can implement the operational changeover associated
6 with the proposed transactions on any date from May 8, 2019, to June 30, 2019, so
7 long as it receives three (3) days' written notice of the changeover from Oncor and
8 Sharyland, as discussed by ERCOT and the Joint Applicants. If the proposed
9 transactions are not approved or completed in time for ERCOT to implement all of
10 the necessary changes by June 30, 2019, then ERCOT would wait until after the
11 summer restriction window to complete the changes. In short, ERCOT has
12 determined there is a larger window of time during which ERCOT can implement
13 the changes associated with the proposed transactions.

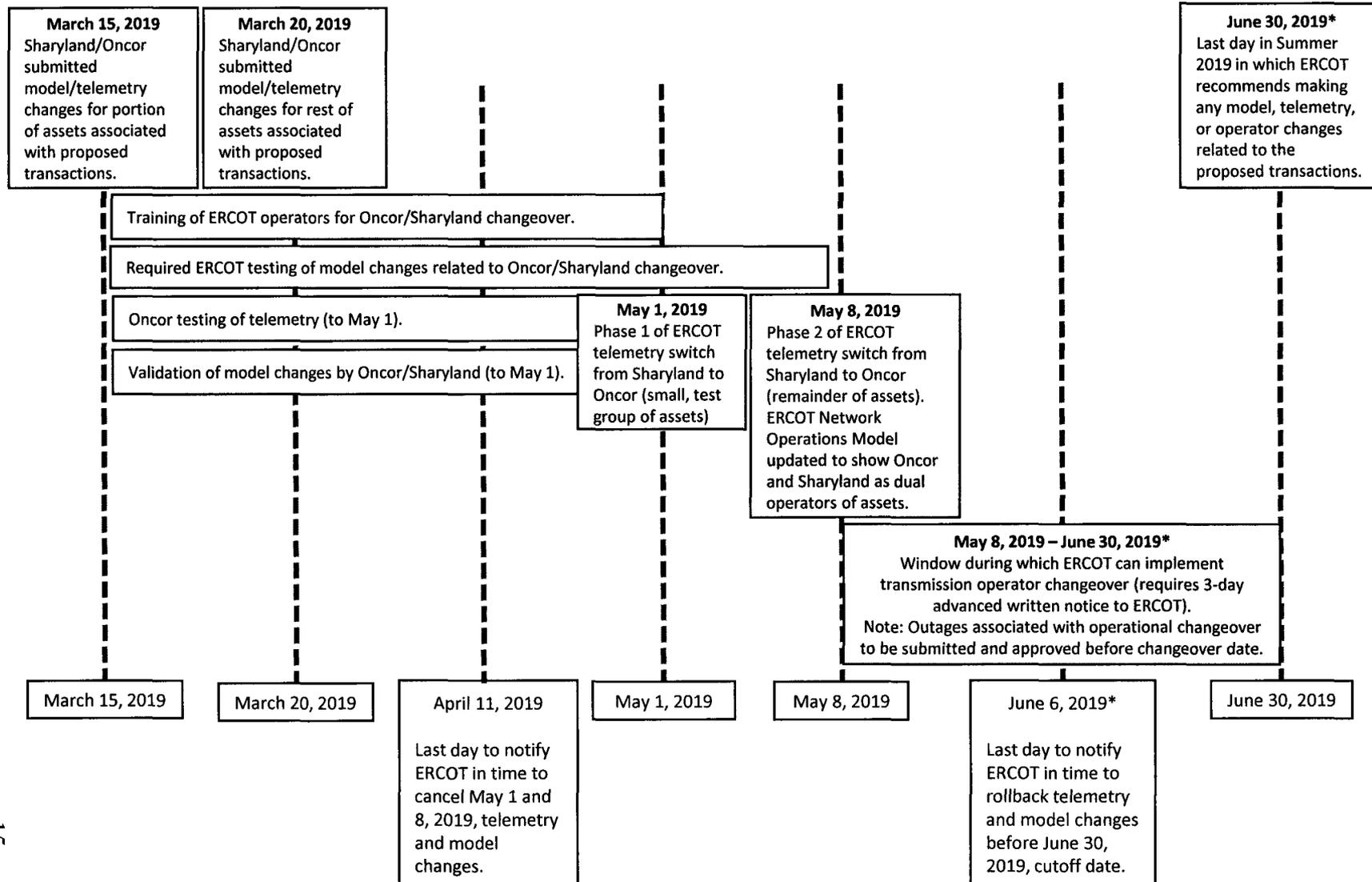
14 **Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL TESTIMONY?**

15 **A. Yes.**

CERTIFICATE OF SERVICE

I hereby certify that a copy of this document was served on all parties of record on March 27, 2019, by electronic mail.

ERCOT Recommended Timeline – Oncor / Sharyland Equipment and Operational Changeover
 (Revised March 27, 2019)



* If ERCOT does not receive notice in time to complete model, telemetry, or operator changes associated with proposed transactions on or before June 30, 2019, then ERCOT would not make any further model, telemetry, or operator changes related to the proposed transactions until after the summer concludes.