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POWER OUTAGE ALERT CRITERIA	**§**	**PUBLIC UTILITY COMMISSION OF TEXAS**

COMMENTS OF
ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.

Electric Reliability Council of Texas, Inc. (ERCOT) respectfully submits these comments in response to the request for comments filed by the Public Utility Commission of Texas (Commission) Staff on July 30, 2021. ERCOT's comments are timely filed by the deadline, August 13, 2021.

I. INTRODUCTION

Through Senate Bill 3, the 87th Legislature has directed the Department of Public Safety of the State of Texas (DPS), with the cooperation of other agencies including the Commission, to develop a power outage alert system to be activated when the power supply in Texas may be inadequate to meet demand. Additionally, the Commission is authorized to adopt the criteria for the content, activation, and termination of this alert system. ERCOT fully supports this mandate to establish a system that informs the public when such a power outage may occur. ERCOT provides these responses to the questions posed by Commission Staff and is ready to further assist in the Commission's co-development of the alert system.

ERCOT's initial comments are limited to what criteria for an alert would be appropriate within the ERCOT system and does not opine on what alerts might be appropriate for other parts of the State where the flow of power is managed by other entities: the Southwest Power Pool (SPP); the Midcontinent Independent System Operator (MISO); or the utility, El Paso Electric Company.

Additionally, ERCOT's proposals below reflect an attempt to balance the potentially conflicting objectives of providing the public with adequate notice to prepare for a potential outage and avoiding unnecessary alarm when outages may not occur. ERCOT notes that its suggestions will likely result in issuance of some alerts where outages are thereafter avoided; however, ERCOT's proposed approach attempts to limit the frequency of such "false positives" while still

providing adequate preparation time to the public when ERCOT projections indicate power supply in the ERCOT system or a sub-region of ERCOT may be inadequate to meet demand. Further, ERCOT notes that management of a bulk power system is inherently dynamic, and grid emergencies may occur suddenly, with little or no advance notice. Thus, as discussed more fully below, ERCOT proposes activation thresholds intended to provide a target of 48-hour notice to the public, but in certain circumstances alerts may be issued with outages occurring soon thereafter.

II. COMMENTS

1. ***Government Code § 411.301(a) states the alert should "be activated when the power supply in this state may be inadequate to meet demand." Should the Public Utility Commission of Texas interpret this to mean that an alert will be activated when there is inadequate system-wide power supply to meet system-wide load demand? Should the commission also interpret this to mean that an alert will be activated when there are regional constraints that only restrict power supply to certain regions?***

ERCOT agrees that a reasonable interpretation of the statute is that an alert would be activated when ERCOT projects that the power supply available throughout the ERCOT system is likely to exceed system-wide demand. ERCOT does not manage all of the bulk power systems in the State and does not have visibility regarding the available resources nor projected demand in the portions of Texas located in SPP, MISO, and the service area of El Paso Electric. Additionally, limiting the activation of an alert to when ERCOT, MISO, SPP, and El Paso Electric all project demand may exceed supply in their balancing areas could greatly limit when this useful tool is employed and would require coordination that increases the risk of less-timely alert activation. Further, because ERCOT manages the flow of electric power to more than 26 million customers in Texas, even if an ERCOT-wide alert is triggered solely by projections regarding ERCOT's system, the alert would provide useful information to many. Therefore, ERCOT supports criteria that would require an alert be activated throughout the ERCOT footprint when ERCOT projects system-wide demand may exceed system-wide power supply, regardless of whether other parts of the State may be similarly situated.

It is also reasonable to interpret the statute to warrant activation of a regional alert. Power supply and transmission constraints are interrelated, so such an alert could be appropriate when power supply will be exceeded by regional demand to a region with transmission constraints that keep the demands from being served by power supply from outside the region or when extreme

weather, such as a hurricane, is approaching a region of the State and threatens to limit transfer capabilities. There is value in providing a regional alert: providing the public time to prepare for a possible outage. However, careful consideration should be given to what qualifies as a "region" and what transmission limitations warrant activation of the alert. For example, it wouldn't be appropriate to issue a regional alert for a highly localized outage. Alerts for highly localized outages would likely be over-inclusive, necessarily vague, and result in messaging "fatigue." Rather, notifications for localized outages should remain the responsibility of the transmission and/or distribution service providers, as they have the most granular information regarding the facilities and consumers affected, the work being done, and when service restoration is likely. Additionally, it does not appear that the Legislature intended for this alert system to be used for localized outages since those outages are generally unrelated to supply issues.

2. ***Government Code §411.301(b) states, "The criteria must provide for an alert to be regional or statewide." How should the different regions be defined?***

ERCOT respectfully recommends that the Commission not define regions based on existing transmission topography because the locations and amounts of 1) demand from consumers, 2) power supply, and 3) transmission capabilities are ever evolving. Establishing regions based on the current bulk power system could prove relevant in some cases for the near term, but would result in less accurate alerts over time, and might not be all-inclusive even in the near term.

Rather, ERCOT proposes that the Commission define regions as affected counties. Providing alerts to affected counties should, to the extent practicable, result in alerts being issued to the same populace as those who may be affected by the outage because ERCOT can generally determine to the county level where consumers will be affected. Additionally, defining regions as affected counties is beneficial because the public is accustomed to receiving weather alerts by affected county and local leadership is often defined by county.

Ultimately, the Commission and its peer agencies will determine the appropriate balance between the need to inform and avoidance of overly broad alerts. ERCOT welcomes the opportunity to discuss this with the Commission and others to achieve the desired goals.

3. ***Government Code §411.301(b) states, "The Public Utility Commission of Texas by rule shall adopt criteria for the content, activation, and termination of the alert." At what threshold should the commission choose for the alert to be activated? Terminated? What content would be the most helpful for inclusion in the alert?***

Activation

ERCOT system operations personnel monitor projected power supply and demand in advance of and throughout each operating day. In order to provide the public with sufficient notice to prepare for a possible outage, ERCOT recommends that a target be set to activate a system-wide alert when ERCOT's projections indicate system-wide demand will exceed the system-wide available generation minus reserves in 48 hours. In other words, if a hypothetical ERCOT analysis indicated that demand will exceed available generation minus reserves at 4 p.m. on September 3, the target would be to activate a system-wide alert by 4 p.m. on September 1. Such a target would also permit an even longer period of notice if the risk of outage is more certain. Historically, such projections have been associated with extreme weather events that covered much of the ERCOT region, and therefore, waiting for more accurate weather forecasts is desirable. However, a notification of a day or less may not provide enough time for people to prepare for the possible outage. ERCOT suggests that a target of providing 48-hour notice balances the desires of accuracy and adequate notice.

Similarly, a target could be set that a regional alert should be activated when projections show that in 48-hours (1) power supply to the region will be exceeded by regional demand with transmission constraints that keep the demand from being served by power supply from outside the region or (2) extreme weather that threatens to limit transfer capability is forecast to affect a region. For such regional alerts, again the desire would be to have as timely information as possible before an alert is activated while also providing the public adequate time for outage preparations.

Finally, ERCOT reiterates that the bulk power system is constantly changing and grid emergencies may occur suddenly, with little or no advance notice. In such circumstances, a system-wide or regional alert should be activated as promptly as feasible whenever the ERCOT system enters energy emergency alert (EEA) level 2 or ERCOT has to order load shed on a regional basis.

Termination

ERCOT recommends that a system-wide alert should be terminated when the ERCOT system is no longer in any level of EEA for three hours and a return to EEA conditions is not expected. This standard for termination would incorporate ERCOT operators' judgment regarding when the system is stable and provide time for ERCOT operations to communicate with market segments.

A regional alert should be terminated when ERCOT Operations determines there is no longer a reasonable risk of shedding load in the region. Such a standard is admittedly more discretionary; however, including such discretion is appropriate because it is not possible to predefine in a rule the different, specific reasons why a regional alert would no longer be needed.

Content

New Texas Government Code § 411.306 requires that the alert "must include a statement that electricity customers may experience a power outage." In addition to this statement, ERCOT recommends that alerts provide different content depending on whether the alert is being provided in advance of potential power outages occurring, during ERCOT-directed load shed, or after ERCOT-directed load shed has ended. It may also be appropriate to tailor additional messages when there is risk of a longer-term outage, such as multi-day sub-freezing temperatures.

When the alert is activated, ERCOT recommends that the content of the alert include

- a statement that outages are not occurring now, but may be imminent;
- a conservation appeal; and
- encouragement to develop a personal safety plan, including consideration of any medical needs.

When outages are occurring, ERCOT suggests that the alert include

- a statement that outages are being implemented;
- a request to make health and safety a priority by using city or county instructions and resources; and
- an appeal for safe conservation by those who do have power.

Finally, a termination alert should

- inform the public that ERCOT-directed outages have ended and
- encourage the use of city or county safety resources, if needed.

These suggestions are preliminary and ERCOT anticipates that after the Commission develops the criteria for alert contents, messages for different scenarios will be thoughtfully crafted. ERCOT looks forward to participating in this work.

III. CONCLUSION

ERCOT appreciates the Commission's consideration of these comments and would be pleased to provide any additional information if requested.

Respectfully submitted,

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