



Filing Receipt

Received - 2022-01-11 02:36:59 PM

Control Number - 52287

ItemNumber - 31

PROJECT NO. 52287

**POWER OUTAGE ALERT
CRITERIA**

§
§
§

**PUBLIC UTILITY COMMISSION
OF TEXAS**

**JOINT COMMENTS OF AEP TEXAS INC., TEXAS-NEW MEXICO POWER
COMPANY, AND CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC**

AEP Texas Inc., CenterPoint Energy Houston Electric, LLC, and Texas-New Mexico Power Company (together, the “Joint TDUs”) are transmission and distribution utilities (“TDUs”) in the ERCOT region and appreciate the opportunity to submit these comments in response to the Commission’s December 17, 2021 Proposal for Publication of new 16 Tex. Admin. Code (TAC) §25.57 relating to Power Outage Alert Criteria. Tex. Gov’t Code §§ 411.301-.308 (the “Power Outage Alert Act”) became effective in 2021 and directs the Commission to “adopt criteria for the content, activation, and termination” of a power outage alert “when the power supply in this state may be inadequate to meet demand.”¹ The proposed new rule 25.57 is the Commission’s attempt to adopt such criteria.

Executive Summary

- The proposed rule should allow for the engagement of TDUs and other customer-facing entities prior to the issuance of a power outage alert.
- The content of a power outage alert should mirror the content in the Commission’s alert notice that it sends to the Department of Public Safety (DPS) and be limited to specific, known information and should include the reasons for issuing the alert, its expected duration, mitigation measures being undertaken, and the number of potentially affected customers within the affected power region. The Commission’s alert notice DPS should also be distributed to all market participants (including TDUs and REPs) prior to or at least concurrently with its delivery to DPS.
- The proposed rule should include specific criteria for terminating a power outage alert.

CenterPoint Energy Comments

I. Criteria for Activating a Power Outage Alert

¹ Power Outage Alert Act § 411.301.

When the Commission determines that the criteria established in this Project for activating a power outage alert have been met, the Power Outage Alert Act directs the Commission to send a notice (an “Alert Notice”) to the Texas Department of Public Safety (“DPS”), informing DPS that the activation criteria have been met.² DPS is then required to “immediately” issue a power outage alert “to designated media outlets” upon DPS’s receipt and confirmation of an alert notice from the Commission.³ The Commission’s proposed new rule attempts to specify the activation criteria.

The proposed new rule’s criteria for activating a power outage alert are specified in subsection (c) as follows: “when load shed instructions have been issued or are likely to be issued because the system-wide power supply in one or more power regions within Texas may be inadequate to meet demand.”⁴ The Joint TDUs concur that the actual issuance of “load shed instructions” should be the primary criterion for activating a power outage alert. This activation criterion addresses their primary concern expressed in their August 13, 2021 comments filed in this Project:

to ensure that the customer-facing entities (the TDUs and retail electric providers or "REPs") are proactively engaged through a clear pre-activation process to ensure coordinated, consistent steps can be taken by all "downstream" parties in a timely fashion so public confusion is avoided and the industry, as a whole, demonstrates its preparedness for such an event.⁵

² *Id.* § 411.305(a). *Id.* § 411.302(b) directs the public safety director (who is selected by the Texas Public Safety Commission) to adopt rules and procedures to be used by the Commission for communicating an Alert Notice to DPS.

³ *Id.* § 411.305(a) directs DPS to “immediately issue a power outage alert” to media outlets as soon as DPS confirms the accuracy of an Alert Notice received from the Commission. DPS’s role is ministerial insofar as the activation of the power outage alert; it has no discretion in the timing of a power outage alert other than the time needed to “confirm the accuracy of the information” contained in the Alert Notice. It is therefore the Commission’s issuance of the Alert Notice to DPS that constitutes the activation trigger for DPS’s issuance of the power outage alert.

⁴ Proposed new rule 25.57(c). The proposed new rule defines “load shed instructions” to mean “directions given by a reliability coordinator to a transmission service provider to reduce electricity usage along its systems by a described amount to prevent longer and larger outages for an entire power region.” 25.57(b)(1).

⁵ CenterPoint Energy Houston Electric, LLC (the “Company”) Comments at 1 (Aug. 13, 2021).

It was also recommended in those previously filed comments

that the criteria established by the Commission to activate a power outage alert be consistent with ERCOT's existing Energy Emergency Alert (EEA) process.⁶ Any alert notice to DPS should, at a minimum, be preceded by the issuance of an EEA level 3 activation by ERCOT.

Insofar as the proposed new rule's activation criterion is ERCOT's actual issuance of "load shed instructions," it is supported by the Joint TDUs and consistent with their recommendation. However, an activation criterion based on when load shed instructions are only "likely to be issued" is vague and does not appear to allow for the proactive engagement of the customer-facing entities such as the TDUs prior to activation. The Joint TDUs recommend deleting that activation criterion or replacing it with the ERCOT notification requirements in subsection (d)(1).⁷

II. Criteria for the Content of a Power Outage Alert

The content of the power outage alert issued by DPS under the Power Outage Alert Act should mirror the content of the Alert Notice that the Commission sends to DPS. In addition to Power Outage Alert Act § 411.306's requirement that the "power outage alert must include a statement that electricity customers may experience a power outage," the Alert Notice issued by the Commission to DPS should include the reasons for issuing the alert, its expected duration, mitigation measures being undertaken, and the number of potentially affected customers within the affected power region. The Alert Notice should be distributed to all market participants (including TDUs and REPs) prior to or at least concurrently with its delivery to DPS.

⁶ See ERCOT Nodal Protocol § 6.5.9.4.

⁷ Subsection (d)(1) of the proposed rule provides, "ERCOT must notify the commission when: (A) ERCOT's forecasts indicate system-wide generation supply may be insufficient to meet demand within the next 48 hours; or (B) ERCOT issues or is preparing to issue load shed instructions."

The proposed new rule's content criteria for a power outage alert does not include "its expected duration, mitigation measures being undertaken, and the number of potentially affected customers within the affected power region." Instead, the proposed new rule specifies that the content include "where an electricity customer can seek assistance while the electricity customer's power may be out" and "any other information deemed relevant and of assistance to electricity customers."⁸ The Joint TDUs recommend replacing those proposed content requirements with the content requirements described above and further discussed in the Company's August 13, 2021 comments.

III. Criteria for Terminating a Power Outage Alert

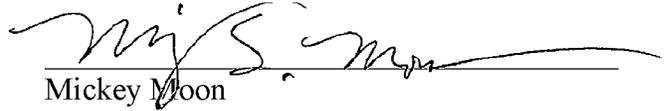
Although section 411.301(b) of the Power Outage Alert Act directs the Commission to also adopt criteria for the termination of a power outage alert, the proposed new rule does not appear to contain any such criteria. The Joint TDUs believe the criterion for terminating a power outage alert should be when the reliability coordinator terminates or cancels the "load shed instructions" that gave rise to the power outage alert's activation. The power outage alert termination criteria should be included in the proposed rule.

CONCLUSION

The Joint TDUs recommend that the proposed rule for implementing the Power Outage Alert Act should include three sets of criteria: (1) criteria for the content of a power outage alert, (2) criteria for activating a power outage alert, and (3) criteria for terminating a power outage alert. They further recommend that the criteria for each be specific and as described in these comments and its August 13, 2021 comments. The Joint TDUs look forward to working with the Commission in adopting these criteria.

⁸ Proposed new rule 25.57(f)(4) and (5).

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mickey Moon", written over a horizontal line.

Mickey Moon
Assistant General Counsel
CenterPoint Energy Houston Electric, LLC
State Bar No. 00791291
1111 Louisiana Street
Houston, Texas 77002
mickey.moon@centerpointenergy.com
(713) 207-7231 (office)
(713) 454-7197 (efax)

ON BEHALF OF AEP TEXAS INC.,
CENTERPOINT ENERGY HOUSTON
ELECTRIC, LLC, and TEXAS-NEW
MEXICO POWER COMPANY