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APPLICATION OF THE	§	PUBLIC UTILITY COMMISSION
ELECTRIC RELIABILITY	§	
COUNCIL OF TEXAS, INC. FOR A	§	OF TEXAS
DEBT OBLIGATION ORDER	§	
UNDER PURA CHAPTER 39,	§	
SUBCHAPTER M, AND REQUEST	§	
FOR GOOD CAUSE EXCEPTION	§	

POST-HEARING BRIEF OF THE ENERGY TRADING INSTITUTE

The Energy Trading Institute (“ETI”) timely files this Post-Hearing Brief pursuant to the September 1, 2021 deadline set by the Administrative Law Judge during the hearing held on August 23, 2021 in the above captioned proceeding. ETI has timely intervened as a party to this proceeding.

ETI represents a diverse group of energy market participants, all with substantial interests in wholesale electricity transactions in Commission-jurisdictional markets. ETI members are registered as Qualified Scheduling Entities (“QSE”) and Congestion Revenue Right (“CRR”) Account Holders (“CRRAH”) with the Electric Reliability Council of Texas (“ERCOT”) and are regular participants in the ERCOT day-ahead and CRR auction markets.

ETI is concerned that the potential assessment of unbounded monthly charges¹ associated with the defaults surrounding Winter Storm Uri could financially strain QSEs and CRRAHs leading to cascading defaults, thereby impairing market integrity.²

Accordingly, ETI fully supports the post-hearing brief submitted by Vitol Inc. in this proceeding, and ETI wholly incorporates that brief by reference. As such, ETI supports the request that the Commission find that the monthly Default Charge invoices (*i.e.*, the monthly Default

¹ Rebuttal Testimony of Charles N. Atkins, Item No. 185, Docket No. 52321 (filed August 20, 2021) at p. 10.

² Application of ERCOT for a Debt Obligation Order to Finance Default Balances Under PURA Chapter 39, Subchapter M and Request for a Good Cause Exception at pp. 2, 10 (quoting HB 4492 Sec. 39.603(a), *Debt Obligation Order* (“debt obligations are needed to preserve the integrity of the wholesale market and the public interest”)).

Charge under the \$800 million financing), should not exceed the \$2.5 million cap under the ERCOT Nodal Protocols, including when considering any monthly Default Uplift invoice that may result from non-payment by Brazos Electric Power Cooperative or Rayburn Country Electric Cooperative, Inc. In the alternative, ETI supports the request that the Commission order ERCOT to open a stakeholder process that would allow ERCOT to provide notice, and solicit comments from market participants about an alternative, reasonable monthly default charge cap that would preserve market integrity and provide market participants with much needed certainty.

ETI appreciates the opportunity to submit this post-hearing brief. ETI reserves all rights to modify its position based on further briefing from ERCOT, as well as additional briefing by parties to this proceeding.

Respectfully submitted,

/s/ Christopher J. Polito

Christopher J. Polito

Casey Khan

Radhika Kannan

Sidley Austin LLP

1501 K Street, N.W.

Washington, D.C. 20005

*Counsel for the Energy Trading
Institute*