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**Received - 2021-09-01 05:09:22 PM**

**Control Number - 52321**

**ItemNumber - 204**

**DOCKET NO. 52321**

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

**RWE RENEWABLES AMERICAS, LLC'S  
POST-HEARING BRIEF**

RWE Renewables Americas, LLC (“RWE”) files this post-hearing brief, pursuant to the administrative law judge’s requirements for post-hearing briefs set at the hearing on the merits before the Public Utility Commission of Texas (“Commission”) in this docket on August 23, 2021.

**I. INTRODUCTION**

On July 16, 2021, the Electric Reliability Council of Texas (“ERCOT”) filed its Application for a Debt Obligation Order under PURA Chapter 39, Subchapter M, and Request for a Good Cause Exception (“Application”) seeking approval of a debt obligation order pursuant to PURA § 39.602(1). RWE filed a motion to intervene in this proceeding on July 27, 2021, which was granted on July 29, 2021 at the prehearing conference.<sup>1</sup> RWE supports approval of a debt obligation order for ERCOT to securitize \$800 million in default balances, and believes approval is necessary for the integrity of the market and in the public interest.

**II. ERCOT’S PROPOSALS**

If the Commission approves a debt obligation order for ERCOT in this docket, the two primary issues that the Commission will have to determine is priority of the proceeds of the funding, and the appropriate method for collecting default charges. In its Application, ERCOT proposes the priority of the proceeds to be as follows: (1) reserve approximately \$50 million of the proceeds to retire or refinance its existing debt, if necessary, (2) payment to market participants that were short paid by competitive wholesale market participants that have since left the market, and (3) use all

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<sup>1</sup> RWE’s Motion to Intervene (Jul. 27, 2021).  
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remaining proceeds to replenish the Congestion Revenue Right (“CRR”) auction revenue funds that ERCOT used to reduce amounts short-paid to market participants.<sup>2</sup> RWE agrees with ERCOT’s proposal for prioritization, and believes it is in accordance with the Public Utility Regulatory Act (“PURA”)<sup>3</sup> § 39.603. However, because the CRR auction funds are also required to be fully replenished, the Commission should determine a mechanism for replenishment of those funds.

With respect to the method for collecting default charges, RWE supports collecting default charges from wholesale market participants in accordance with the requirements in PURA § 39.603(d). RWE recommends that for any deviations in ERCOT protocols that result from the method for collecting default charges, or any other provisions of the Commission’s final debt obligation order, ERCOT should be required to revise such protocols to implement the order.

### III. CONCLUSION

RWE respectfully requests that the Commission approve a debt obligation order in accordance with the requirements in PURA § 39.603.

Dated: September 1, 2021

Respectfully submitted,

**VEDDER PRICE P.C.**

By: /s/ Stephanie Sparks

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<sup>2</sup> See Application at 2.

<sup>3</sup> Tex. Util. Code §§ 11.001 - 66.016.  
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**CERTIFICATE OF SERVICE**

I certify that on September 1, 2021 this Post-Hearing Brief was filed with the Public Utility Commission of Texas and a true and correct copy of it was served on all parties of record in this proceeding.

/s/ Stephanie Sparks  
Stephanie C. Sparks