



## Filing Receipt

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<b>APPLICATION OF THE ELECTRIC</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>RELIABILITY COUNCIL OF TEXAS, INC.</b>	<b>§</b>	
<b>FOR A DEBT OBLIGATION ORDER TO</b>	<b>§</b>	<b>OF TEXAS</b>
<b>FINANCE UPLIFT BALANCES UNDER</b>	<b>§</b>	
<b>PURA CHAPTER 39, SUBCHAPTER N,</b>	<b>§</b>	
<b>FOR AN ORDER INITIATING A</b>	<b>§</b>	
<b>PARALLEL DOCKET, AND FOR A GOOD</b>	<b>§</b>	
<b>CAUSE EXCEPTION</b>	<b>§</b>	

**EDF ENERGY SERVICES, LLC’S STATEMENT OF POSITION**

EDF Energy Services, LLC (“EDFES”) files the following statement of position in accordance with Order No. 2 and Public Utility Commission of Texas (“PUCT” or “Commission”) procedural rule 22.124, 16 Tex. Admin. Code § 22.124. Order No. 2 sets August 12, 2021, as the deadline for Statements of Position and, therefore, this statement is timely filed.

As the applicant in this proceeding, the Electric Reliability Council of Texas, Inc. (“ERCOT”) has the burden of proof. EDFES is evaluating ERCOT’s application and testimony, and plans to review and evaluate issues raised by the other parties in the intervenor testimony that is due on August 12, 2021. Accordingly, EDFES reserves the right to amend or supplement this Statement of Position after review of the evidence and positions of other parties regarding the proposed Debt Obligation Order.

**Introduction**

EDFES supports ERCOT’s request for approval of a Debt Obligation Order to securitize \$2.1 billion dollar of uplift balances. Based on EDFES’s consideration of the application so far, EDFES also generally supports the implementation details included in ERCOT’s application, including the recommendation to open a parallel docket to enable parties to opt-out or document exposure to eligible costs. EDFES has identified two issues on which it wishes to comment at this time.

**Opt-out Process**

EDFES supports the use of a separate PUCT proceeding to allow transmission-voltage served by a retail electric provider (REP) to opt out of the uplift charges by paying in full all invoices owed for usage during the Period of Emergency. However, EDFES recommends that the Commission describe the opt-out process and timing in this proceeding, Docket No. 55232. The number of entities that choose to opt out, the time in which the entities have to opt out, as well as the amount of load those entities serve all directly impact the uplift balance

that needs to be securitized and the uplift charges that need to be collected.

To ensure all eligible opt-out entities receive consistent information concerning their ability to opt out, EDFES recommends the Commission approve a standard notice for REPs to provide to transmission voltage customers concerning their potential eligibility to opt out. A form notice adopted by the Commission will ensure that all customers are adequately and consistently informed of the ability to voluntarily opt out. The notice could advise customers that if they are eligible to opt out (e.g., having paid in full all invoices owed for usage during the period of emergency), they will not receive securitization proceeds but will also not be assessed uplift charges.

### **Collection of Uplift Charges**

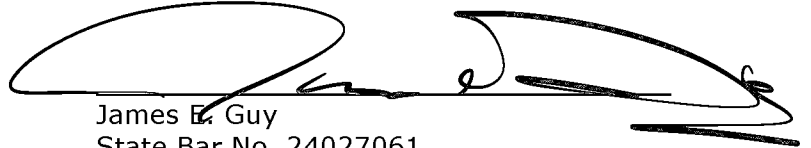
EDFES recommends that uplift charges be assessed on a volumetric basis (per megawatt hour) as opposed to using a daily charge as ERCOT proposes. The allocation should be based on eligible real-time adjusted meter load (RTAML) and adjusted as necessary as part of the approved true-up process. This approach would better align with typical ERCOT settlements. The MWh basis is used today in ERCOT's and Qualified Scheduling Entities' (QSEs) billing systems, and is the clearest way for customers to understand how much they will be charged, if appropriate. Use of a MWh basis also avoids the cumbersome implementation process and the time intensive monitoring by load serving entities (LSEs) that would be required under ERCOT's proposal to allocate non-volumetric charges on a daily basis.

If the Commission elects to approve ERCOT's use of a daily uplift charge (as opposed to a volumetric charge), then EDFES requests that ERCOT be required to publish each LSE's eligible load and load research sampling (LRS) used in calculating the daily uplift balance to allow QSEs and LSEs to validate the charges incurred by serving eligible load.

### **Conclusion**

EDFES appreciates the Commission's consideration of this Statement of Position. EDFES also reserves the right to participate in the hearing on the merits and to take additional positions on other issues, including through cross examination at the hearing or through briefing.

Respectfully submitted,



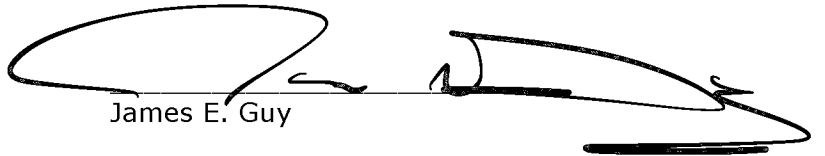
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*Attorney for EDF Energy Services, LLC*

August 12, 2021

**CERTIFICATE OF SERVICE**

I hereby certify that in accordance with Order No. 2, a copy of this document has been filed on the Commission's Interchange and such filing constitutes service of the document on all parties in this proceeding on the 12<sup>th</sup> day of August, 2021.



James E. Guy