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

**TEXAS INDUSTRIAL ENERGY CONSUMERS' PROPOSED
CORRECTION TO THE DRAFT ORDER**

Texas Industrial Energy Consumers (TIEC) files this proposed correction to the Draft Order that was issued in the above-captioned docket on October 8, 2021. TIEC has conferred with the Public Utility Commission of Texas Staff (“Staff”) and is authorized to represent that Staff agrees with the proposed correction.

TIEC’s proposed clarification is meant to ensure that REPs are required provide refunds to customers who were on a pass-through product during Winter Storm Uri but have since switched to a new REP. As written, the Proposed Order is not clear that securitization proceeds should be used to provide refunds or credits to customers that have switched retail electric providers since the winter storm. The intent of PURA § 39.660 and the settlement agreement was to provide relief to *all* retail customers who were exposed to the Uplift Balance costs, including those who have since changed REPs.¹ This intent is memorialized in Michael Carter’s testimony in support of the stipulation, where he noted that “[t]he Stipulation . . . facilitates timely benefits being provided to LSEs to stabilize the market and ensures that these benefits will reach *any customers who were paid and invoiced these costs, even where that customer may have switched to another REP after the storm.*”²

¹ See PURA § 39.660 (“All load-serving entities that receive offsets to specific uplift charges from the independent organization under this subchapter must adjust customer invoices to reflect the offsets for any charges that were or would otherwise be passed through to customers under the terms of service with the load-serving entity, including by providing a refund for any offset charges that were previously paid.”).

² Supplemental Testimony of Michael Carter in Support of Stipulation and Settlement Agreement at 16-17 (Sept. 24, 2021) (emphasis added).

To ensure that this intent is reflected in the Commission's order, TIEC recommends modifying finding of fact number 75 to specifically require refunds or credits, as appropriate, for "former" customers that have switched to a new REP following Winter Storm Uri. TIEC proposes the following changes to accomplish that objective:

75. The signatories agreed that each load-serving entity that receives securitization proceeds must (1) provide a refund to current and former customers for any ancillary-service costs in excess of the system-wide offer cap or reliability-deployment-price-adder (RDPA) charges that were passed through by the load-serving entity and have been paid by the load-serving entity's current and former customers, and (2) adjust invoices to remove ancillary-service costs in excess of the system-wide offer cap or RDPA charges that were passed through by the load-serving entity but have not been paid by the load-serving entity's current and former customers. If a load-serving entity is not allocated 100% of its total exposure, any refunds or adjustments to invoices will be made in an amount that is not less than an amount that is proportionate to the percentage of the load-serving entity's total exposure that was allocated to that load-serving entity. Each load-serving entity that receives securitization proceeds is not required to pass through those proceeds for any ancillary-service costs in excess of the system-wide offer cap or RDPA charges that could have been passed through under a customer's terms of service and were not, and the load-serving entity will not hold the customer responsible for payment of those ancillary-service costs or RDPA charges.

TIEC appreciates the Commission's consideration of this proposed clarification.

Respectfully submitted,

O'MELVENY & MYERS LLP

/s/ Katie Coleman

Katherine L. Coleman
State Bar No. 24059596
Michael A. McMillin
State Bar No. 24088034
John Russ Hubbard
State Bar No. 24120909
303 Colorado St., Suite 2750
Austin, TX 78701
(737) 261-8600
kcoleman@omm.com
mmcmillin@omm.com
jhubbard@omm.com
ommesevice@omm.com

**ATTORNEYS FOR TEXAS INDUSTRIAL
ENERGY CONSUMERS**

CERTIFICATE OF SERVICE

I, John R. Hubbard, Attorney for TIEC, hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 12th day of October 2021 by hand-delivery, facsimile, electronic mail and/or First Class, U.S. Mail, Postage Prepaid.

/s/ John R. Hubbard

John R. Hubbard