



## Filing Receipt

**Received - 2021-11-17 09:05:07 AM**  
**Control Number - 52322**  
**ItemNumber - 320**



TXU Energy  
6555 Sierra Drive  
Irving, Texas 75039

Quality Electric Steel Casting, L.P.  
252 MCCARTY ST  
HOUSTON TX 77029-1138

10/27/2021

RE: NOTICE OF PROCESS TO OPT OUT OF SECURITIZATION UPLIFT  
PROCEEDS AND CHARGES – ACTION REQUIRED BY NOVEMBER 27, 2021  
TO OPT OUT

Account Number(s): 100020932638; ESI ID(s): 1008901000187100011100

Dear Quality Electric Steel Casting, L.P: **(QESC)**

TXU Energy hereby provides notice of the ability for Quality Electric Steel Casting, L.P., as a transmission-voltage customer, to exercise a one-time election to opt-out of securitization credits and charges by Quality Electric Steel Casting, L.P filing the attached Opt Out Notice and supporting documentation in PUCT Docket No. 52364. This notice is being provided pursuant to an Order of the Public Utility Commission of Texas ("PUCT") in Docket No. 52322,<sup>397</sup> as part of its implementation of House Bill 4492<sup>398</sup> from the 87<sup>th</sup> Regular Texas Legislative Session.

As you may be aware, costs in the wholesale electricity market significantly increased during Winter Storm Uri, and certain entities and customers were assessed and/or paid reliability deployment price adder charges and ancillary service costs in excess of the PUCT's system-wide offer cap (herein after "certain charges").

The Texas Legislature recently passed House Bill 4492, establishing a new Subchapter N in the Public Utility Regulatory Act ("PURA"),<sup>399</sup> which provides a mechanism for financing an "uplift balance"<sup>400</sup> not to exceed \$2.1 billion, associated with certain charges incurred during the period of emergency of February 12, 2021 through February 20, 2021 ("period of emergency").<sup>401</sup> Under this bill, certain charges assessed during that period to load-serving entities ("LSE") in the electric market (such as retail electric providers ("REPs")) will be financed, and the proceeds of the

<sup>397</sup> *Application of the Electric Reliability Council of Texas, Inc. for a Debt Obligation Order to Finance Uplift Balances Under PURA Chapter 39, Subchapter N, For an Order Initiating a Parallel Docket, and for a Good Cause Exception*, Docket No. 52322, Order (October 13, 2021)

<sup>398</sup> The text of this bill can be viewed at: <https://capitol.texas.gov/>, using the "Search Legislation" function.

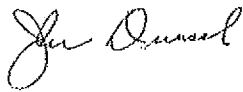
<sup>399</sup> Public Utility Regulatory Act, Tex. Util. Code §§ 11.001-66.016.

<sup>400</sup> "Uplift balance" is defined in PURA § 39.652(4).

<sup>401</sup> The legislature found that financing the uplift balance would allow wholesale market participants who were assessed extraordinary uplift charges due to consumption during the period of emergency to pay those charges over a longer period of time, alleviate liquidity issues, and reduce the risk of additional defaults in the wholesale market.

Please contact us if you have any questions concerning this letter at 866-898-3465 or [custombusinesssupport@txu.com](mailto:custombusinesssupport@txu.com).

Sincerely,

A handwritten signature in cursive script, appearing to read "John Duessel".

John Duessel  
SVP and Chief Customer Officer

# TRANSMISSION-VOLTAGE CUSTOMER OPT OUT NOTICE FORM

By QESC [Customer Name] filing this form in PUCT Docket No. 52364,  
QESC [Customer Name] exercises its right to opt out of securitization uplift  
charges under PURA § 39.653(d) for the following account numbers and ESI IDs.

Account Numbers associated with transmission-voltage service for which the opt out is being  
exercised. [Include list here, or provide as attachment. This information should be filed by the  
customer as confidential at the PUCT and redacted in the public filing.]

**TXUE A/C NUMBER: 100020932638**

Transmission-voltage level ESI IDs associated with the opt out. [Include list here, or provide  
as attachment. This information should be filed by the customer as confidential at the PUCT and  
redacted in the public filing.]

**ESI IDs: 1008961000187100011100  
1008961000159880012100**

Current REP of Record, and if different, REP of Record during the period of emergency for  
each ESI-ID listed above. [Include list here, or provide as attachment. This information should  
be provided as confidential at the PUCT and redacted in the public filing.]

**TXU ENERGY**

## Notice of and Request for Opt Out

By signing below, DEVIN GARMORE [Name of Signatory] affirms  
QESC [Customer name] has paid in full all invoices owed to the REP or REPs  
listed above for usage at the ESI IDs listed above during the period February 12, 2021 through  
February 20, 2021 (the period of emergency). DEVIN GARMORE [Name of Signatory] also  
affirms that a final copy of this opt out request and supporting documentation will be provided to  
the REP or REPs listed above concurrently with this filing.

QESC [Customer name], as a transmission voltage customer, hereby exercises its  
right under PURA § 39.653(d) to opt out of uplift charges. It is understood that for the above-  
listed ESI ID(s), QESC [customer name] will not receive any proceeds from the  
uplift financing under PURA Subchapter N and will not pay uplift charges for same.

This Opt Out Request is effective if signed by an executive officer with authority to act on  
behalf of the Customer, the current REP of Record, and if different, the REP of Record  
during period of emergency and filed by the customer in PUCT Docket No. 52364. The REP  
of Record during the period of emergency will only sign below if the customer is eligible as a  
transmission-voltage customer who has paid in full all invoices owed for usage during the  
period of emergency pursuant to PURA 39.653(d). If the Customer is unable to obtain  
signatures from its current REP or the REP that provided service during the period of  
emergency, Customer may opt out by submitting internal documentation that it has paid all  
usage charges for the relevant ESI IDs during the period of emergency, along with a sworn  
affidavit from the executive officer who signed the Opt Out Request on behalf of the  
Customer.

**[Signatures on following page.]**

[Customer Name]

By:



Print Name of Signatory:

Dennis Gagliardi

Position of Signatory:

PRESIDENT

Date:

11/16/21

[REP of Record]

By:

John Duessel

John Duessel (Nov 16, 2021 17:51 CST)

Print Name of Signatory:

John Duessel

Position of Signatory:

SVP

Date:

Nov 16, 2021

[REP of Record during period of emergency]

By:

Print Name of Signatory:

Position of Signatory:

Date:

☐ X if inapplicable