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PUC DOCKET NO. 52322

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

CALPINE CORPORATION’S MOTION TO INTERVENE

Calpine Corporation, on its own and on behalf of its wholly owned subsidiaries that serve retail customers, moves to intervene in the above-styled proceeding pursuant to the Public Utility Regulatory Act (“PURA”), Tex. Util. Code Ann. §§ 11.001 et seq., 16 Tex. Admin. Code (“TAC”) §§ 22.101, 22.103(b) and 22.104. Calpine would show as follows:

1. The names, address, and telephone number of Calpine’s authorized representatives are:

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All pleadings and other documents should be served upon Calpine’s authorized representatives.

2. On July 16, 2021, the Electric Reliability Council of Texas (“ERCOT”) filed an application to issue an order: (1) allowing for financing of up to \$2.1 billion of the “uplift balance” representing the amount of defaulted obligations ERCOT would uplift to market participants under the Protocols, plus reasonable costs; (2) proposing a debt financing mechanism for this purpose; and (3) to establish uplift charges to be assessed to certain Qualified Scheduling Entities (“QSEs”) associated with this financing, excluding the load of those Load Serving Entities (“LSEs”) that do not opt out pursuant to PURA §39.653 (d) (“debt obligation order”). The Application also requests that the Commission open a separate docket for LSEs to make their one-time election regarding whether to opt out of uplift charges—if they are eligible to opt out under PURA – and to develop a process for LSEs to document their actual exposure to costs included in the uplift balance. The application was filed pursuant to Subchapter N of PURA.¹

3. Calpine is the upstream corporate owner of REPs and several QSEs and sub-QSEs that together participate in the ERCOT retail market to serve retail customers, and would therefore be liable to pay the uplift charges ERCOT seeks authority to assess in this proceeding. As such, Calpine possesses a justiciable interest that may be adversely affected by the outcome of this proceeding.

In recognition of its justiciable interest, Calpine requests that the Commission grant its Motion to Intervene and admit Calpine as an intervenor in this proceeding for all purposes, and for such other relief to which it may be justly entitled.

¹ Tex. Util. Code Ann. §§ 39.651 et seq.

4. Calpine intends in this proceeding to provide our views on several questions that ERCOT's Application raises. Most importantly, however, Calpine encourages the Commission to prioritize retail customers in this proceeding, by directing that financing proceeds first go to LSEs that have customers who were exposed to Ancillary Service charges above \$9,000, as well as to other charges that were uplifted to the retail customer during the period of emergency. As such, the Commission should require that any financing proceeds awarded to LSEs on this basis be passed through to these customers. As to those customers who have not yet paid their invoices in full, the LSE should be required to offset any financing proceed payments from ERCOT against the customer's remaining balances. Only after these customers are made whole should LSEs be eligible to receive financing proceeds to manage their own settlement positions. Calpine intends to support this position throughout this proceeding and recommends the Commission incorporate these standards into any debt obligation order.

Respectfully submitted,

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**ATTORNEYS FOR:
CALPINE ENERGY SOLUTIONS LLC**

CERTIFICATE OF SERVICE

I certify that a true and correct copy of this pleading has been forwarded to all parties of record via electronic mail on the 27th day of July, 2021 in accordance with the Order Suspending Rules, issued in Project No. 50664.



Chris Reeder