



## Filing Receipt

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**PROJECT NO. 52373**

**REVIEW OF WHOLESALE ELECTRIC  
MARKET DESIGN**

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**PUBLIC UTILITY COMMISSION  
OF TEXAS**

**EXECUTIVE SUMMARY  
COMMENTS OF TEXAS CONSUMER ASSOCIATION  
ON PUCT's DEMAND RESPONSE QUESTIONS**

Texas Consumer Association (TCA), a 501c(4) organization incorporated in the state of Texas, submits these comments for PUC Project No. 52373 - Review of Wholesale Electric Market Design. TCA is a non-profit, non-partisan organization that has represented small business and individual Texas consumers on pocketbook issues for over 50 years.

TCA supports the goal of enabling more demand-side resources – demand response, energy efficiency, and behind-the-meter generation and storage -- to participate in the ERCOT power market and to provide grid reliability services. The Commission should explicitly recognize that demand-side resources are provided by individual households and businesses that may need more support than large industrial and commercial customers – but collectively, these customers offer significant, cost-competitive contributions to improve grid reliability.

- Demand response, energy efficiency, and other behind-the-meter distributed energy resources, work in complementary ways to support grid reliability. Demand response and demand flexibility (DR/DF) measures, such as direct load curtailment, Emergency Responsive Load and aggregated, dispatchable behind-the-meter resources can be used to provide fast-response ancillary services, capacity relief during peak use hours, and enhance customer and community energy resilience. But the magnitude, controllability and predictability of demand response and demand flexibility from residential and small commercial customers can be increased and better managed by investing in energy efficient buildings and devices that lower peak and energy requirements in every hour of the year.
- Texas should facilitate and strengthen residential and small commercial customer provision of demand response and demand flexibility services by giving customers enabling technology, information, compensation, and protections.
- Market forces alone will not produce sufficient demand response and energy efficiency to improve reliability and counterbalance generation within ERCOT. Other regions have actively nurtured DR/DF and energy efficiency growth through capacity market revenues and state policies supporting clean energy, because these demand-side resources offer great reliability and societal benefits at low delivered cost.
- Texas currently subsidizes generation in the name of reliability through charges to all ratepayers for out-of-market unit commitment, transmission, and ancillary services cost uplift. Now, we are adding on ratepayer charges for the exorbitant Winter Storm Uri natural gas and ancillary services charges, even though those charges will not improve future grid reliability. We can achieve much more reliability at notably lower costs by funding more DR/DF and EE through expanded energy efficiency funding and more favorable PUCT rules and ERCOT protocols.

  
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Sandra Haverlah, President  
Texas Consumer Association