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March 21, 2023

Public Utility Commission of Texas
Chairman Peter Lake
Commissioner Will McAdams
Commissioner Lori Cobos
Commissioner Jimmy Glotfelty
Commissioner Kathleen Jackson
1701 N. Congress Ave.
Austin, TX 78711

Re: PUC Project No. 52373, *Review of Wholesale Electric Market Design*; and
PUC Project No. 53298, *Wholesale Electric Market Design Implementation*

Dear Chairman and Commissioners:

Electric Reliability Council of Texas, Inc. (ERCOT) hereby provides a correction to the aggregated results of ERCOT's recent fuel-use survey, previously filed on March 7, 2023. ERCOT has identified additional Generation Resources that were identified as qualified to provide Firm Fuel Supply Service (FFSS) in a second phase (Phase 2) if the definition of "Qualifying Pipeline" was expanded to include intrastate gas utility pipelines that provide firm service to human needs customers or local distribution systems that serve human needs customers.¹ Thus, the results of Question 4 have been updated, as shown in the second chart below.²

In response to Question 4, responding Generation Entities identified 157 Resources that can run on natural gas stored offsite during a 48-hour duration and fulfill the following requirements:

- a) The natural gas in the offsite storage facility is or would be owned by the Generation Entity or an affiliate;
- b) The Generation Entity or an affiliate owns the offsite storage facility or has or would be willing to enter into a "Firm Gas Storage Agreement" (as defined in the Framework), with (i) a contractual term that includes November 15, 2023 through March 15, 2024 and (ii) sufficient contracted capacity for the Generation Resource to deliver the an amount of megawatts (MW) equal to or greater than its Low Sustained Limit (LSL) for at least 48 hours;
- c) The Generation Entity or an affiliate has or would be willing to enter into one or more "Firm Transportation Agreement(s)," as defined in the Framework except that definition

¹ Capitalized terms used but not defined herein have the meaning set forth in the ERCOT Protocols.

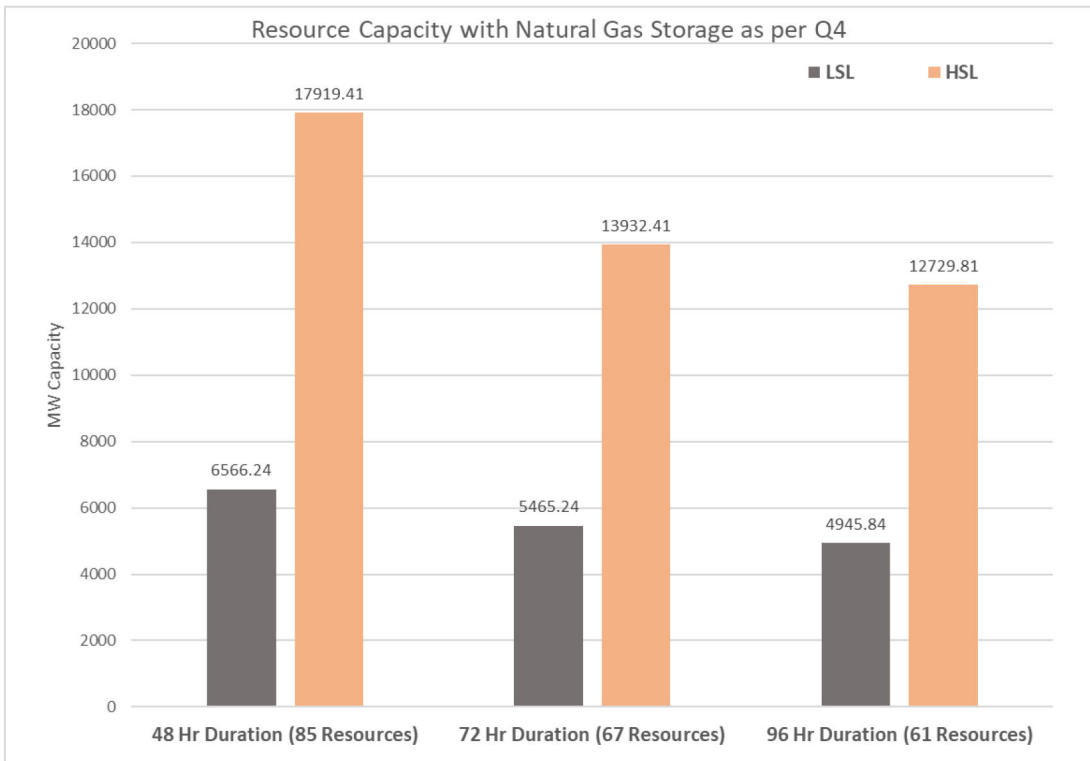
² All other results from the survey remain the same and can be found in ERCOT's March 7, 2023 filing.

of “Qualifying Pipeline” is modified to include intrastate gas utility pipelines that have contracts for firm service on such pipeline(s) with human needs customers or local distribution systems that serve human needs customers. All such contracts have a contractual term that includes November 15, 2023 through March 15, 2024; and

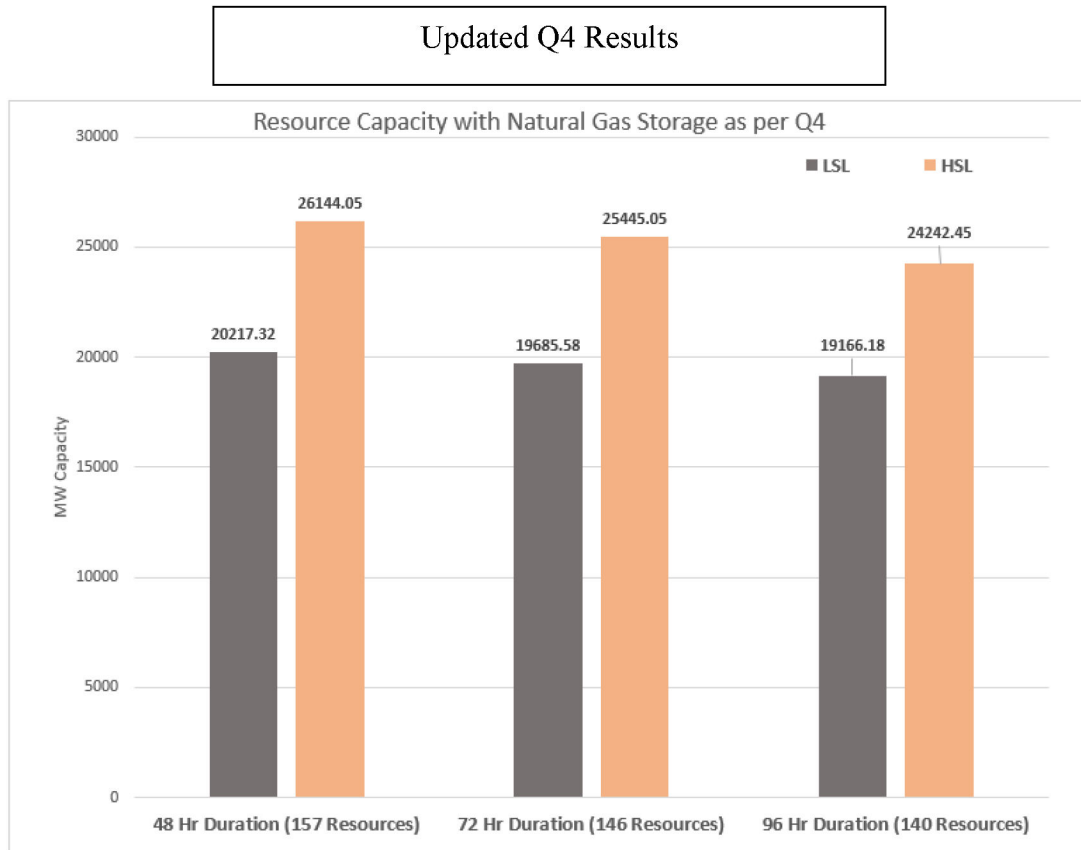
- d) The point of delivery for each “Firm Transportation Agreement” is or would be a primary receipt point under the “Firm Transportation Agreement” such that there is a complete path for firm transportation service from the storage facility to the Generation Resource.

Previously, in its March 7, 2023 filing, ERCOT provided the chart below regarding those Resources that met the above requirements and would be able to run on natural gas stored offsite if the duration were 48, 72, or 96 hours. This chart was incomplete, however, and is being provided again solely for comparison with the corrected chart on the next page.

Previously-Reported Q4 Results



On further analysis, ERCOT has identified more Resources that were reported as meeting the above requirements. The corrected chart below provides the LSL and High Sustained Limit (HSL) of those Resources that met the above requirements and would be able to run on natural gas stored offsite if the duration were 48, 72, or 96 hours.



As explained previously, the above graph represents amounts of capacity for which Generation Entities expressed at least a willingness to enter into qualifying agreements for firm gas storage and transportation. As such, some respondents noted their responses were conditional; actual ability for a Resource to offer to provide FFSS would depend on factors such as whether the Generation Entity could find available firm capacity and a willing service provider. This means that the reported numbers of available generation capacity may overstate the MWs that would be able to participate under the expanded criteria.

ERCOT understands that the above correction does not impact the Commission guidance regarding the definition of “Qualifying Pipeline” that was given to ERCOT at the March 9, 2023 Open Meeting. ERCOT is incorporating that Commission guidance into a Nodal Protocol Revision Request which will be submitted in the near future.

Respectfully submitted,

/s/ Chad Seely

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