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PROJECT NO. 53169

REVIW OF TRANSMISSION RATES FOR EXPORT FROM ERCOT

PUBLIC UTILITY COMMISSION § § §

OF TEXAS

REPLY COMMENTS OF RAINBOW ENERGY MARKETING CORPORATION

Rainbow Energy Marketing Corporation (REMC) submits these reply comments on the draft amendment to 16 TAC §25.192, relating to Transmission Service Rates.

REMC supports Commission Staff's proposed amendment to §25.192(e) and most comments submitted in support of the amendment, including additional changes recommended by Southern Cross Transmission and AEP Texas in their respective initial comments.

REMC's initial comments requested the Commission to consider the following additional changes:

- 1. Differentiate between Peak (Weekdays Hour Ending ("HE") 0700 to HE 2200) and Off-Peak (all other hours) export rates. For example, setting Peak export rate at roughly twice the Off-Peak rate such that the average annual rate would be the same as set by Commission Staff's proposed export tariff.
- 2. Instruct ERCOT to collect the export tariff on behalf of all Transmission Service Providers.
- 3. Reduce the export tariff from that proposed by Commission Staff to address the important price formation issue related to the allocation of sunk costs adversely impacting decisions to consume/export and since no transmission upgrade or even modifications of planned transmission upgrades are considered to reliably accommodate DC Tie exports.

For the Commission's consideration, the tariff changes to implement REMC's requested changes with export tariff reduced by half are as highlighted below.

§25.192(e) Transmission Rates for Exports from ERCOT.

- (e) Transmission rates for exports from ERCOT. Transmission service charges for exports of power from ERCOT will be assessed to transmission service customers for transmission service within the boundaries of the ERCOT region, in accordance with this section and the ERCOT protocols.
 - (1) A transmission service customer shall be assessed a transmission service charge for the use of the ERCOT transmission system in exporting power from ERCOT based on the megawatts that are actually exported, the duration of the transaction and the rates established under subsections (c) and (d) of this section. Billing intervals shall be hourly consist of a year, month, week, day, or hour. ERCOT shall collect transmission service charges on behalf of all TSPs.
 - (2) The monthly on peak transmission rate will be one fourth the TSP's annual rate, and the monthly off peak transmission rate will be half of one-twelfth the TSP's its annual rate. The peak period used to determine the applicable transmission rate for such transactions shall be the months of June, July, August, and September. Peak (weekdays hour ending ("HE") 0700 to HE 2200) hourly transmission rate shall be twice the offpeak (all other hours) hourly transmission rate such that the sum total of hourly transmission rates of all hours within the month equals the monthly transmission rate.
 - (3) The DSP or an entity scheduling the export of power over a DC tie is solely responsible to the TSPs, and ERCOT as the export tariff administrator on behalf of the TSPs, for payment of transmission service charges under this subsection.
 - (4) A transmission service customer's charges for use of the ERCOT transmission system for export purposes on a monthly basis shall not exceed the annual transmission charge for the transaction.

REMC appreciates this opportunity to submit reply comments in this important Project.

Date: March 14, 2022

Respectfully submitted,

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