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PROJECT NO. 53169

REVIEW OF TRANSMISSION RATES	§	PUBLIC UTILITY COMMISSION
	§	
FOR EXPORTS FROM ERCOT	§	OF TEXAS
	§	

**PROPOSAL FOR PUBLICATION OF AMENDMENTS TO 16 TAC §25.192
AS APPROVED AT THE AUGUST 4, 2022 OPEN MEETING**

The Public Utility Commission of Texas (commission) proposes amendments to 16 Texas Administrative Code (TAC) §25.192, relating to Transmission Service Rates. The amendments will eliminate the seasonal component of the transmission charge for exporting power outside the ERCOT region by eliminating an increased charge for the months of June, July, August, and September and will provide additional transparency on transmission charges associated with DC ties. The amendments will also make other minor changes.

Growth Impact Statement

The agency provides the following governmental growth impact statement for the proposed rule, as required by Texas Government Code §2001.0221. The agency has determined that for each year of the first five years that the proposed rule amendments are in effect, the following statements will apply:

- (1) the proposed rule amendments will not create a government program and will not eliminate a government program;
- (2) implementation of the proposed rule amendments will not require the creation of new employee positions and will not require the elimination of existing employee positions;

- (3) implementation of the proposed rule amendments will not require an increase and will not require a decrease in future legislative appropriations to the agency;
- (4) the proposed rule amendments will not require an increase and will not require a decrease in fees paid to the agency;
- (5) the proposed rule amendments will not create a new regulation;
- (6) the proposed rule amendments will not expand, limit, or repeal an existing regulation;
- (7) the proposed rule amendments will not change the number of individuals subject to the rule's applicability; and
- (8) the proposed rule amendments will not affect this state's economy.

Fiscal Impact on Small and Micro-Businesses and Rural Communities

There is no adverse economic effect anticipated for small businesses, micro-businesses, or rural communities as a result of implementing the proposed rule amendments. Accordingly, no economic impact statement or regulatory flexibility analysis is required under Texas Government Code §2006.002(c).

Takings Impact Analysis

The commission has determined that the proposed rule amendments will not be a taking of private property as defined in chapter 2007 of the Texas Government Code.

Fiscal Impact on State and Local Government

Werner Roth, Senior Economist, Market Analysis has determined that for the first five-year period the proposed rule amendments are in effect, there will be no fiscal implications for the state or for units of local government under Texas Government Code §2001.024(a)(4) as a result of enforcing or administering the sections.

Public Benefits

Mr. Roth has determined that for each year of the first five years the proposed amendments are in effect the public benefit anticipated as a result of enforcing the amendments will be more equitable treatment for DC tie transactions and increased transparency on transmission costs. There will be no adverse economic effect on small businesses or micro-businesses as a result of enforcing this section.

Local Employment Impact Statement

For each year of the first five years the proposed amendments are in effect, there should be no effect on a local economy; therefore, no local employment impact statement is required under Texas Government Code §2001.022.

Costs to Regulated Persons

Texas Government Code §2001.0045(b) does not apply to this rulemaking because the commission is expressly excluded under subsection §2001.0045(c)(7).

Public Hearing

The commission staff will conduct a public hearing on this rulemaking if requested in accordance with Texas Government Code §2001.029. The request for a public hearing must be received by September 15, 2022. If a request for public hearing is received, commission staff will file in this project a notice of hearing.

Public Comments

Interested persons may file comments electronically through the interchange on the commission's website. Comments must be filed by September 1, 2022. Reply comments must be filed by September 15, 2022. Comments should be organized in a manner consistent with the organization of the proposed rule amendments. The commission invites specific comments regarding the costs associated with, and benefits that will be gained by, implementation of the proposed rule amendments. The commission will consider the costs and benefits in deciding whether to modify the proposed rule amendments on adoption. All comments should refer to Project Number 53169.

Statutory Authority

The amended rule is proposed under PURA §14.002, which provides the commission with the authority to make adopt and enforce rules reasonably required in the exercise of its powers and jurisdiction, PURA §§35.001-35.008, which grants the commission oversight and review authority over wholesale transmission service and rates, and PURA § 39.151, which grants the commission oversight and review authority over independent organizations such as ERCOT.

Cross Reference to Statute: Public Utility Regulatory Act §§ 14.002, 35.001-35.008, and 39.151.

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

(a)-(d) No change.

(e) **Transmission rates for exports from ERCOT.** ~~A T~~transmission service charges for exports of power from ERCOT ~~must 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 ~~must 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. ~~The Billing~~ intervals ~~must shall~~ consist of ~~one a year, month, week, day, or hour~~.

~~(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 one twelfth 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.~~

~~(2) The transmission rate will be the TSP's annual rate converted to an hourly rate.~~

(3) The ~~DSP or an~~ entity scheduling the export of power over a DC tie is solely responsible to the TSP 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.~~

~~(4) Beginning with the January 2023 reporting month, ERCOT must file a report with the commission stating the total amount of energy imported and the total amount of energy exported over each DC tie for the calendar month. The report must also include the total amount of energy exported from the ERCOT region during the reporting month and each of the preceding 11 calendar months, reported by the scheduling entity. Each report must be filed within 45 days of the end of the reporting month.~~

(f)-(h) No change.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

**ISSUED IN AUSTIN, TEXAS ON THE 4th DAY OF AUGUST 2022 BY THE
PUBLIC UTILITY COMMISSION OF TEXAS
ANDREA GONZALEZ**