



## Filing Receipt

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

COMES NOW Conservative Texans for Energy Innovation (CTEI) and files these Comments in response to the Commission's proposed amendments to 16 Texas Administrative Code (TAC) § 25.192 as published in the *Texas Register* on August 19, 2022.<sup>1</sup> CTEI is a non-profit clean energy education and advocacy organization composed of thousands of Texans seeking to promote energy innovation and clean energy policies grounded in the conservative principle of common sense, market-based solutions that allow fair competition and provide greater access to clean, affordable, and reliable energy.

CTEI limits its comments to a single issue. Specifically, the Commission proposes to delete paragraph (e)(2) of the existing rule. This deletion would eliminate the seasonal component of the transmission charge for exporting power outside the ERCOT region by eliminating the existing increased charges for the months of June through September. CTEI supports this proposed amendment.

PURA § 39.001(d) requires the Commission to “authorize or order competitive rather than regulatory methods to achieve the goals of this chapter to the greatest extent feasible and shall adopt rules and issue orders that are both practical and limited so as to impose the least impact on competition.” Pursuant to the existing rule, a policy initially adopted prior to competition in the ERCOT region, transmission charges associated with exports of energy from the ERCOT region

<sup>1</sup> 47 Tex. Reg. 4906 (Aug. 19, 2022).

have had rates in the summer months administratively set to three times higher than the open access, postage-stamp transmission rates charged for the remaining months of the year. Although the policy may have been appropriate when the state was transitioning from regulation to competition and before there were clear energy pricing market signals to indicate when energy should not be exported, the policy now stands as a barrier to efficient markets. In today's competitive electricity markets, price signals – rather than regulatory constructs – should dictate when it is economic to export power and when it is not. At times when there is excess, low cost generation in ERCOT, that power can be exported, resulting in more economic outcomes to the benefit of Texans. For these reasons, CTEI supports eliminating the seasonal price differential in paragraph (e)(2), as proposed, to facilitate more efficient market outcomes in the ERCOT region.

### **CONCLUSION**

CTEI appreciates the opportunity to provide these Comments and looks forward to working with the Commission and other interested parties on these issues.

Respectfully submitted,

A handwritten signature in black ink that reads "Matt Welch". The signature is fluid and cursive, with the first name "Matt" and last name "Welch" clearly legible.

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