



Filing Receipt

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PROJECT NO. 53198

PROJECT TO IDENTIFY ISSUES	§	PUBLIC UTILITY COMMISSION
PERTAINING TO LUBBOCK POWER	§	
AND LIGHT'S PROPOSAL TO	§	OF TEXAS
TRANSFER EXISTING FACILITIES AND	§	
LOAD INTO THE ELECTRIC	§	
RELIABILITY COUNCIL OF TEXAS	§	

COMMISSION STAFF'S RESPONSE TO ORDER NO. 1

On May 30, 2021, the City of Lubbock, acting through Lubbock Power & Light (LP&L), transferred approximately 70% of its load along with certain facilities from the Southwest Power Pool (SPP) system to the Electric Reliability Council of Texas (ERCOT) system.¹ On June 3, 2021, LP&L filed a letter in Project No. 48113 indicating that it had taken certain actions to fully connect the remaining 30% of its load to the ERCOT system.² LP&L and ERCOT have been in discussions regarding the transition of this remaining load. On February 9, 2022, ERCOT filed a letter in this project seeking guidance regarding the process it should employ to fully transition LP&L's remaining load from SPP to ERCOT.

On March 9, 2022, the administrative law judge (ALJ) filed Order No. 1, directing Commission Staff to recommend a process for the further processing of this project, make a recommendation as to what notice should be provided, and propose a procedural schedule by March 23, 2022. Therefore, this pleading is timely filed.

I. BACKGROUND

Lubbock's prior permanent transfer of approximately 470 megawatts (MW) of load into ERCOT was the first of its kind and the project to consider the information needed was extensive and included written comments and a workshop, lasted over a year, and involved the preparation by ERCOT of a load integration study and subsequently coordinated impact studies by ERCOT and SPP.³ An ERCOT load integration study was filed approximately four months after the

¹ *Application of the City Lubbock Through Lubbock Power and Light for Authority to Connect a Portion of Its System with the Electric Reliability Council of Texas*, Docket No. 47576 (Mar. 15, 2018).

² *Project to Monitor Lubbock Power & Light's Transition to ERCOT*, Project No. 48113, Letter to Commissioners (Jun. 3, 2021).

³ *Project to Identify Issues Pertaining to Lubbock Power & Light's Proposal to Become Part of the Electric Reliability Council of Texas*, Project No. 45633 (Aug. 31, 2017).

initiation of the project⁴ and the coordinated impact studies were filed approximately 12 months after the ERCOT load integration study.⁵ The next such load transfer involved Rayburn's transfer of all of its load in the SPP region (approximately 96 MW) to the ERCOT region.⁶ The project to consider the studies and information needed by the Commission to evaluate the transfer in a subsequent docket lasted approximately 11 months.⁷ The first filing in the project was an ERCOT load integration study⁸ and coordinated impact studies by ERCOT and SPP were filed approximately 8 months later.⁹ The third and most recent permanent load transfer to ERCOT involved East Texas Electric Cooperative (ETEC)'s transfer of 35 MW of load from SPP.¹⁰ No project was conducted before ETEC sought and obtained approval of the transfer from the Commission.

II. PROCESSING OF THIS PROJECT

Commission Staff recommends that the Commission use the current project to solicit comments from all interested parties regarding ERCOT's letter proposing a load integration study and no additional studies by ERCOT and more generally to solicit comments on the transfer of LP&L's remaining load to the ERCOT system. Commission Staff recommends that the Commission seek comments on the following topics:

⁴ *Project to Identify Issues Pertaining to Lubbock Power & Light's Proposal to Become Part of the Electric Reliability Council of Texas*, Project No. 45633, Study of the Integration of the Lubbock Power & Light System into the ERCOT System (Jun. 17, 2016).

⁵ *Project to Identify Issues Pertaining to Lubbock Power & Light's Proposal to Become Part of the Electric Reliability Council of Texas*, Project No. 45633, ERCOT Coordinated Lubbock Power and Light Integration Impact Analysis (Jun. 30, 2017).

⁶ *Joint Application of Rayburn Country Electric Cooperative Inc. and Lone Star Transmission LLC to Transfer Load to ERCOT, for Sale of Transmission Facilities, and Transfer of Certificate Rights in Henderson and Van Zandt Counties*, Docket No. 48400 (Mar. 13, 2019).

⁷ *Project to Identify Issues Pertaining to Rayburn Country Electric Cooperative, Inc's Proposal to Transfer Existing Facilities and Load Into the Electric Reliability Council of Texas*, Project No. 47342 (Aug. 31, 2018).

⁸ *Project to Identify Issues Pertaining to Rayburn Country Electric Cooperative, Inc's Proposal to Transfer Existing Facilities and Load Into the Electric Reliability Council of Texas*, Project No. 47342, ERCOT - RCEC Load Integration Study (Jun. 27, 2017).

⁹ *Project to Identify Issues Pertaining to Rayburn Country Electric Cooperative, Inc's Proposal to Transfer Existing Facilities and Load Into the Electric Reliability Council of Texas*, Project No. 47342, ERCOT-SPP Coordinated RCEC Integration Analysis (Mar. 1, 2018); *see also id.*, Addendum No. 1 (May 18, 2018).

¹⁰ *Petition of East Texas Electric Cooperative, Inc. for Authority to Transfer 35 Megawatts of Load Into the Electric Reliability Council of Texas*, Docket No. 47898 (Sep. 3, 2019).

- 1) Should the Commission direct ERCOT to conduct a coordinated impact study with SPP or other study in addition to a load integration study? Please explain why or why not.
- 2) If the Commission does direct ERCOT to perform a study in addition to a load integration study, what should it entail? Please explain whether it should be the same as or different from studies for prior permanent load transfers. If it should be the same, please explain why. If it should differ, please explain why and how.
- 3) Should the Commission allow comments on what additional studies, if any, should be conducted by ERCOT after parties have an opportunity to review ERCOT's load integration study? Please explain why or why not.
- 4) Should studies be conducted of the impact of LP&L's planned load transfer on the SPP system? Please explain why or why not. If such studies should be conducted, please explain what issues those studies should address and why and who should prepare the studies.
- 5) Please provide any other comments you have regarding Lubbock's planned load transfer.

Commission Staff recommends that the Commission provide ERCOT and LP&L guidance regarding LP&L's anticipated request for approval of its planned transfer. This guidance should include whether additional studies are needed, what any additional studies should entail, and a description of any other information that the Commission may deem appropriate for LP&L to include in its request for approval of the transfer.

III. PROPOSED NOTICE

In addition to filing an order in this project seeking comments, Commission Staff recommends that the Commission direct ERCOT to publish a market notice consistent with the Commission's order seeking comments. Commission Staff recommends that the market notice should identify this project, the order seeking comments, and contain the text of the questions contained in the order. Commission Staff further recommends that ERCOT provide notice to all participants in the docket in which the Commission approved LP&L's initial transfer of load from

SPP to ERCOT.¹¹ Commission Staff recommends that ERCOT be given three days to issue such notice from the date the order requiring such notice is filed. Commission Staff has conferred with ERCOT on this proposal and ERCOT is in agreement with it.

IV. PROPOSED PROCEDURAL SCHEDULE

Commission Staff recommends that interested parties be given approximately 21 days from the date notice is issued by ERCOT to submit initial comments, and that any replies to such comments be due within 10 days after the filing of initial comments.

V. CONCLUSION

Commission Staff respectfully requests entry of an order consistent with the above recommendations.

Dated: March 23, 2022

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
MARKET ANALYSIS DIVISION**

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¹¹ *Application of the City Lubbock Through Lubbock Power and Light for Authority to Connect a Portion of Its System with the Electric Reliability Council of Texas*, Docket No. 47576 (Mar. 15, 2018).

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CERTIFICATE OF SERVICE

I certify that unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on March 23, 2022 in accordance with the Second Order Suspending Rules, issued in Project No. 50664.

/s/ R. Floyd Walker
R. Floyd Walker