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Received - 2022-06-23 02:27:40 PM
Control Number - 53401
ItemNumber - 26

PUC PROJECT NO. 53401

ELECTRIC WEATHER PREPAREDNESS STANDARDS–PHASE II	**§ § §**	**PUBLIC UTILITY COMMISSION OF TEXAS**

TEXAS-NEW MEXICO POWER COMPANY'S COMMENTS TO PROPOSAL FOR PUBLICATION REPEALING 16 TAC §25.55 AND REPLACING WITH PROPOSED NEW 16 TAC §25.55, AS APPROVED AT THE MAY 26, 2022, OPEN MEETING

TEXAS-NEW MEXICO POWER COMPANY ("TNMP") submits the following response to the request for comments on proposal for publication of repeal of 16 TAC §25.55 and replacement with a new 16 TAC §25.55. As instructed, a separate Executive Summary is attached as Exhibit "A". TNMP appreciates the opportunity to provide its comments in this project. These responses are timely filed on June 23, 2022.

I. TNMP COMMENTS

TNMP respectfully recommends that the Commission consider the following suggested revisions to the draft rule in order to provide clarity to the TSPs in the ERCOT region with regard to the intent and requirements of the rule.

A. Revisions to Subsection (b) - Definitions.

1) Provide separate definitions of "cold weather critical component" and "hot weather critical component" – TNMP recommends that the definition of "*weather critical component*" in subsection (b)(10) be deleted and replaced with two separate definitions for "*cold weather critical component*" and "*hot weather critical component.*" Both terms are already used in sections (f)(1)(A) and (f)(2)(A) regarding TSP winter and summer preparations. The separate definitions better address the distinct weather risks posed by extreme cold and extreme heat addressed by the proposed 16 TAC §25.55. Thus, TNMP proposes the following revisions:

> ***Cold ~~W~~weather critical component*** *- Any component of a resource or transmission facility that is susceptible to fail due to icing or freezing during a weather emergency, the occurrence of which*

failure is likely to significantly hinder the ability of the resource or transmission facility to function as intended or, for a resource, is likely to lead to a trip, derate, or failure to start.

Hot weather critical component *- Any component of a resource or transmission facility that is susceptible to fail due to overheating or lack of active cooling during a weather emergency, the occurrence of which failure is likely to significantly hinder the ability of the resource or transmission facility to function as intended or, for a resource, is likely to lead to a trip, derate, or failure to start.*

2) Revise "Weather emergency" definition – TNMP suggests that the current definition of "*weather emergency*" be revised to reflect that any load shed risk must be material. The purpose is to avoid the rule unintentionally encompassing situations where a minor load shed occurs that does not pose a risk to the ERCOT grid. Consequently, TNMP recommends that load shed risk be clarified as a shedding of 100 MW or more of load. The proposed revisions follow:

Weather emergency - *A situation resulting from weather conditions that produces significant risk for a TSP that 100MW or more of firm load must be shed or a situation for which ERCOT provides advance notice to market participants involving weather-related risks to the ERCOT power region.*

B. Subsection (f).

1) Clarify Subsection (f)(1)(B) – As proposed, this subsection generically references transmission "*facilities*" and "*facility*" to which certain temperature parameters are to apply beginning in 2023. However, TNMP suggests replacing such terms with "*cold weather critical component*" or "*components*" to more accurately reflect the equipment to which the temperature parameters will apply. Thus, TNMP proposes the following revision:

(B) Beginning in 2023, implement weather emergency preparation measures, in addition to the weather emergency preparation measures required by paragraph (A) of this subsection, reasonably expected to ensure the sustained operation of the TSP's transmission ~~facilities~~ cold weather critical components during the lesser of the minimum ambient temperature at which the ~~facility~~ cold weather critical component has experienced sustained operations or the 95th percentile minimum average 72-hour temperature reported in ERCOT's

historical weather study, required under subsection (i) of this section, for the weather zone in which the ~~facility~~ cold weather critical component is located.

2) Clarify Subsection (f)(2) to reflect ongoing preparations – Currently, this subsection requires a TSP to "*complete*" the preparations listed for summer operations by June 1 of each year. However, the specific preparations actually require ongoing inspection and related action during the summer season. TNMP suggests replacing the term "complete" with "*initiate*" to reflect the ongoing activity required. Thus, TNMP proposes the following revision of Subsection (f)(2):

By June I each year, a TSP must ~~complete~~ initiate the following summer weather preparation measures for its transmission facilities. A TSP must maintain these measures throughout the summer season. A TSP must update its summer weather preparation measures no later than one year after ERCOT files a historical weather study report under subsection (i) of this section.

3) Revise Subsection (f)(2)(A) to reflect transformer cooling systems – TSPs control transformer temperatures through a combination of radiators, fans, and pumps. The term "cooler" is not a recognized term for the transformer cooling systems it employs. TNMP therefore, suggests that the current term "*coolers*" be replaced with "*cooling systems*".

Further, the requirement in Subsection (f)(2)(a)(ii) to clean transformer coolers on a regular basis during the summer is not consistent with most TSP transformer cooling systems. Ultimately, the TSP is to maintain the transformer cooling system so that it operates as intended during the summer season. Whether that action involves cleaning or wildlife mitigation, the overall effort ought to be reflected in the proposed rule. Thus, TNMP proposes the following revisions to Subsection (f)(2)(A) in general and (f)(2)(A)(ii) specifically:

(A) Implement weather emergency preparation measures reasonably expected to ensure the sustained operation of all hot weather critical components during summer weather conditions. Such measures include, as appropriate for the facility:

(i) *Inspecting transformer ~~coolers~~ cooling systems on a monthly basis between May 1 and September 30;*

(ii) *~~Cleaning~~ Maintain transformer ~~coolers~~ cooling systems on a regular basis during the summer season;*

(iii) *Verifying proper cooling fan and pump control capabilities and settings;*

(iv) *Confirmation of the availability of sufficient chemicals, coolants, and other materials necessary for sustained operations during a summer weather emergency; and*

(v) *Confirmation that sufficient chemicals, coolants, and other materials necessary for sustained operations during a summer weather emergency are protected from heat and drought.*

4) Clarify Subsection (f)(2)(B) – As proposed, discussed above regarding subsection (f)(1)(B), this subsection also generically references transmission "*facilities*" and "*facility*" to which certain temperature parameters are to apply for the summer season beginning in 2023. TNMP similarly suggests replacing the generic terms with "*hot weather critical component*" or "*components*" to more accurately reflect the equipment to which the temperature parameters will apply. Thus, TNMP proposes the following revision:

(B) *Beginning in 2023, implement weather emergency preparation measures, in addition to the weather emergency preparation measures required by paragraph (A) of this subsection, reasonably expected to ensure the sustained operation of the TSP's transmission ~~facilities~~ hot weather critical components during the lesser of the minimum ambient temperature at which the ~~facility~~ hot weather critical component has experienced sustained operations or the 95th percentile minimum average 72-hour temperature reported in ERCOT's historical weather study, required under subsection (i) of this section, for the weather zone in which the ~~facility~~ hot weather critical component is located.*

C. Subsection (h).

Subsection (h)'s basic triggering criteria are either repeated interruptions or major weather-related service interruption. Both highlight appropriate areas of concern. However, TNMP suggest that subsection (h) clearly state that that the repeated interruptions must be to the same transmission facility. TNMP believes that is the intent of the existing language but offers the following edit to clarify the point:

(h) ***Weather-related failures by a TSP to provide service.***

A TSP with a transmission facility that experiences repeated or major weather-related forced interruptions of service to that same transmission facility must contract with a qualified professional engineer to assess its weather emergency preparation measures, plans, procedures, and operations. The qualified professional engineer must not be an employee of the TSP or its affiliate. The qualified professional engineer must not have participated in previous assessments for this facility for at least five years, unless the TSP provides documentation that no other qualified professional engineers are reasonably available for engagement. The qualified professional engineer must conduct a root cause analysis of the failure and develop a corrective action plan to address any weather-related causes of the failure. The TSP must submit the qualified professional engineer's assessment to the commission and ERCOT. A TSP to which this subsection applies may be subject to additional inspections by ERCOT. ERCOT must refer to commission staff for investigation any TSP that violates this subsection.

II. CONCLUSION

TNMP appreciates the opportunity to respond and provide these suggested clarifications and revisions. A short summary is attached as Exhibit "A" for convenience.

Respectfully submitted,

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Exhibit "A"

Executive Summary

TNMP appreciates the opportunity to submit these comments, and respectfully requests that the Commission consider the following suggested revisions to the current proposed rule:

- Under 16 Texas Administrative Code (TAC) § 25.55(b):
    - Replace definition of "weather critical component" with new definitions of "cold weather critical component" and "hot weather critical component" to reflect importance of resource impacts; and
    - Revise "weather emergency" to reflect

- Revise Subsection (f)(1)(B) to clarify that temperature parameters apply to "cold weather critical component(s)" instead of generic transmission facility(ies).

- Revise Subsection (f)(2) to clarify that summer preparations are ongoing efforts during the season consider all reasonable factors in determining an appropriate cure period.

- Revise Subsection (f)(2)(A)

- Revise Subsection (f)(2)(B) to clarify that temperature parameters apply to "hot weather critical component(s)" instead of generic transmission facility(ies).

- Revise Subsection (h) to clarify that repeated interruptions must apply to the same transmission facility.