



## Filing Receipt

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TARIFF NO. \_\_\_\_\_

<b>APPLICATION OF EAST TEXAS</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>ELECTRIC COOPERATIVE, INC. TO</b>	<b>§</b>	
<b>UPDATE ITS WHOLESALE</b>	<b>§</b>	<b>OF TEXAS</b>
<b>TRANSMISSION SERVICE – CREDIT</b>	<b>§</b>	
<b>RIDER</b>	<b>§</b>	

**APPLICATION TO UPDATE**  
**WHOLESALE TRANSMISSION SERVICE – CREDIT RIDER**

East Texas Electric Cooperative, Inc. (“ETEC”) files this application to update its Wholesale Transmission Service (“WTS”) – Credit Rider and would show the following:

**I. Background**

On September 3, 2019, the Public Utility Commission of Texas (“Commission”) issued its Order in Docket No. 47898, which approved ETEC’s application to transfer 35 megawatts (“MW”) of load into the Electric Reliability Council of Texas, Inc. (“ERCOT”) power region.<sup>1</sup> As part of that Order, the Commission required ETEC to pay a total of \$1.0 million each year for five years to ERCOT wholesale transmission customers.<sup>2</sup>

In compliance with the Order in Docket No. 47898, ETEC filed its WTS – Credit Rider.<sup>3</sup> ETEC’s WTS – Credit Rider was approved,<sup>4</sup> and went into effect on the date of integration of ETEC’s load transfer to the ERCOT region, which was October 31, 2020.<sup>5</sup> ETEC has made

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<sup>1</sup> Docket No. 47898, *Petition of East Texas Electric Cooperative, Inc. for Authority to Transfer 35 Megawatts of Load into the Electric Reliability Council of Texas*, Order (Sept. 3, 2019).

<sup>2</sup> *Id.* at 10, Ordering Paragraph 6 (“ETEC must pay a total of \$1.0 million each year for five years to ERCOT wholesale transmission customers as agreed to by the signatories and described in finding of fact 36. . . .”); *see also Id.* at 5, Finding of Fact 36 (“Beginning on the load transfer date, ETEC will make a hold harmless payment of \$1.0 million each year for five years to ERCOT wholesale transmission customers through a wholesale-transmission-service credit rider. ETEC must file an application for a wholesale-transmission-service-credit rider, to be effective upon ETEC’s load transfer to ERCOT.”)

<sup>3</sup> Docket No. 50295, *Application of East Texas Electric Cooperative, Inc. to Change Wholesale Transmission Service Rates*, East Texas Electric Cooperative Inc.’s Third Supplement to its Application, Unopposed Motion for Interim Approval of WTS – Credit Rider, Proposed Additional Notice, Unopposed Motion for Intervention Deadline, and Proposed Procedural Schedule (Oct. 12, 2020).

<sup>4</sup> Docket No. 50295, Order No. 14 (Oct. 14, 2020) (granting interim approval of ETEC’s WTS – Credit Rider); *see also* Docket No. 50295, Order at 9, Ordering Paragraph 5 (Jan. 14, 2021) (granting final approval of ETEC’s WTS – Credit Rider).

<sup>5</sup> *See* Docket No. 50295, Record Copy of East Texas Electric Cooperative, Inc.’s Tariff at 21 (Jan. 25, 2021); *see also* Project No. 49777, *Project to Monitor East Texas Electric Cooperative, Inc.’s 35 MW Load Transfer*

payments consistent with the Order in Docket No. 47898 and its WTS - Credit Rider.<sup>6</sup> In order to ensure that ETEC's WTS – Credit Rider continues to produce the required \$1.0 million hold harmless payments to ERCOT wholesale transmission customers, ETEC is now filing this update to its WTS – Credit Rider. This update uses the recently-approved 4CP data from Docket No. 52989.<sup>7</sup>

## **II. Updates to the WTS – Credit Rider**

### **a. Calculation**

ETEC's proposed updated WTS – Credit Rider is attached hereto as **Attachment A**. The workpapers showing how the rates within the WTS – Credit Rider were determined is attached hereto as **Attachment B**. As shown in these workpapers, ETEC's updated WTS – Credit Rider incorporates and accounts for any over- and under-payments from prior periods.

### **b. Effective Date**

As required by the Commission in Docket No. 47898 and approved by the Commission in Docket No. 50295, ETEC's WTS – Credit Rider went into effect on the date of integration of ETEC's load transfer to the ERCOT region, which was October 31, 2020. ETEC's WTS – Credit Rider will remain effective for a period of five years from that date, as updated to incorporate any changes to the ERCOT 4CP billing units. Thus, upon approval of this update, the ETEC's updated WTS – Credit Rider rates will remain effective until the next update in 2023. ETEC anticipates updating its WTS – Credit Rider each year after the ERCOT 4CP wholesale transmission charge docket is approved.

## **III. Notice**

On the same date it files this Application, ETEC plans to provide notice of this Application in Project No. 49777, *Project to Monitor East Texas Electric Cooperative, Inc.'s 35*

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into ERCOT (Relating to Docket No. 47898), Letter Notification of ETEC's Completed Load Transfer (Nov. 3, 2020) (stating load transfer was completed on October 31, 2020).

<sup>6</sup> Project No. 49777, East Texas Electric Cooperative, Inc.'s Response to Order No. 7 (May 18, 2022).

<sup>7</sup> Docket No. 52989, *Commission Staff's Petition to Set 2022 Wholesale Transmission Service Charges for the Electric Reliability Council of Texas, Inc.*, Order (Apr. 21, 2022).

*MW Load Transfer into ERCOT (Relating to Docket No. 47898)*. ETEC will also send a copy of this Application to the parties in Docket Nos. 47898 and 50295.<sup>8</sup>

#### IV. Conclusion and Prayer

ETEC respectfully requests that the Commission:

1. Approve ETEC's proposed notice;
2. Approve ETEC's updated WTS – Credit Rider, with the updated approved WTS – Credit Rider marked “Approved” by the Commission's central records and included in ETEC's tariffs filed with the Commission; and
3. Grant any other relief to which ETEC may be entitled.

Respectfully submitted,

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<sup>8</sup> Docket No. 47898, *Petition of East Texas Electric Cooperative, Inc. for Authority to Transfer 35 Megawatts of Load into the Electric Reliability Council of Texas*; Docket No. 50295, *Application of East Texas Electric Cooperative, Inc. to Change Wholesale Transmission Service Rates*.

**TARIFF WHOLESALE TRANSMISSION SERVICE  
EAST TEXAS ELECTRIC COOPERATIVE, INC.**

Applicability: System

Sheet No. 1

Effective Date: \_\_\_\_\_

Revision: ~~Original~~ No. 1

#### 4.4 WHOLESALE TRANSMISSION SERVICE (WTS) – CREDIT RIDER

##### Availability

The Wholesale Transmission Service (WTS) – Credit Rider serves to reduce the transmission cost of service paid by customers taking service under East Texas Electric Cooperative, Inc.'s ("ETEC") Wholesale Transmission Service (WTS) Rate tariff by \$1,000,000 on an annual basis for five years from the most recent ERCOT transmission cost of service approved by the Commission.

The WTS – Credit Rider implements the hold harmless payment of \$1,000,000 each year for five years to ERCOT wholesale transmission customers through a wholesale-transmission-service credit rider as ordered by the Commission in Docket No. 47898, *Petition of East Texas Electric Cooperative, Inc. for Authority to Transfer 35 Megawatts of Load into the Electric Reliability Council of Texas*.

##### Rate Credits

The WTS – Credit Rider will provide the following credits to Transmission Service Customers taking service under ETEC's WTS Rate tariff within ERCOT, upon the effective date stated below:

Wholesale Transmission Rate (Annual \$/kW)	( <del>\$0.0137060</del> 014088)
Wholesale Transmission Rate (Monthly \$/kW)	( <del>\$0.0011420</del> 001174)

The above rate credit factors will be updated annually to incorporate the Commission's approved ERCOT 4CP billing demands for that year.

##### Notice

This rate schedule is subject to ETEC's WTS Rate tariff and all applicable legal authorities.

##### Effective Dates

As ordered by the Commission in Docket No. 47898, the WTS – Credit Rider shall be effective upon the date of integration of ETEC's transfer load to the ERCOT region and will remain effective for a period of five years from that date. The date of integration ~~was October 31, 2020, will be filed in Project No. 49777, Project to Monitor East Texas Electric Cooperative, Inc.'s 35 MW Load Transfer into ERCOT (Relating to Docket No. 47898).~~

**TARIFF WHOLESALE TRANSMISSION SERVICE  
EAST TEXAS ELECTRIC COOPERATIVE, INC.**

Applicability: System

Sheet No. 1  
Effective Date: \_\_\_\_\_  
Revision: No. 1

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The WTS – Credit Rider implements the hold harmless payment of \$1,000,000 each year for five years to ERCOT wholesale transmission customers through a wholesale-transmission-service credit rider as ordered by the Commission in Docket No. 47898, *Petition of East Texas Electric Cooperative, Inc. for Authority to Transfer 35 Megawatts of Load into the Electric Reliability Council of Texas*.

##### Rate Credits

The WTS – Credit Rider will provide the following credits to Transmission Service Customers taking service under ETEC's WTS Rate tariff within ERCOT, upon the effective date stated below:

Wholesale Transmission Rate (Annual \$/kW)	(\$0.013706)
Wholesale Transmission Rate (Monthly \$/kW)	(\$0.001142)

The above rate credit factors will be updated annually to incorporate the Commission's approved ERCOT 4CP billing demands for that year.

##### Notice

This rate schedule is subject to ETEC's WTS Rate tariff and all applicable legal authorities.

##### Effective Dates

As ordered by the Commission in Docket No. 47898, the WTS – Credit Rider shall be effective upon the date of integration of ETEC's transfer load to the ERCOT region and will remain effective for a period of five years from that date. The date of integration was October 31, 2020.

### ETEC WTS Credit Rider 2022 - Workpaper

Line No	Description	Reference	Amount
1	Annual Credit Rider Amount	Docket 50295	\$ 1,000,000.00
2	ETEC's Monthly Credit Rider Amount	L1 / 12	\$ 83,333.33
3	ETEC's Daily Credit Rider Amount	L2 / 31	\$ 2,688.17
4			
5	Amount to Pay 10/31/2020 - 4/30/2022	L1 + (L2 * 6) + (L3 * 1)	\$ 1,502,688.17
6	Amount Paid Through April 30, 2022	Project 49777	\$ (1,509,116.33)
7	Amount Overpaid Through April 30, 2022	L5 + L6	\$ (6,428.16)
8			
9	ETEC Credit Rider for 2022	L1 + L7	\$ 993,571.84
10	ERCOT 4-CP from Docket 52989	Docket 52989	72,490,325.25
11	2022 WTS Credit Rider (\$/kW-Yr)	L9 / L10	\$ 0.013706
12	2022 WTS Credit Rider (\$/kW-Mth)	L11 / 12	\$ 0.001142