



## **Filing Receipt**

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**PROJECT NO. 54233**

<b>TECHNICAL REQUIREMENTS AND</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>INTERCONNECTION PROCESSES FOR</b>	<b>§</b>	<b>OF TEXAS</b>
<b>DISTRIBUTED ENERGY RESOURCES</b>	<b>§</b>	
<b>(DERs)</b>	<b>§</b>	

**TEXAS PUBLIC POWER ASSOCIATION'S REPLY COMMENTS ON  
STAFF DISCUSSION DRAFT**

The Texas Public Power Association (TPPA) appreciates the opportunity to respond to the discussion draft issued by the Public Utility Commission of Texas (Commission), relating to technical requirements and interconnection processes for distributed energy resources (DERs). These comments are submitted on behalf of TPPA and do not necessarily reflect the opinions of any individual TPPA member.

Formed in 1978, TPPA is the statewide association for the 72 municipally-owned utilities (MOUs) in Texas. TPPA membership also includes several electric cooperatives and joint action agencies, as well as the Lower Colorado River Authority. TPPA members serve urban, suburban, and rural Texas and vary in size from large, vertically-integrated utilities to relatively small distribution-only systems. We are proud to serve approximately 5.1 million Texans across the state. Most of our members operate within the Electric Reliability Council of Texas (ERCOT) region, though several are located within either the Southwest Power Pool (SPP) or Midcontinent Independent System Operator (MISO) region. MOUs offer a long track record of stability, and we serve an essential role in providing secure and reliable power to the wholesale electricity markets in these regions, including ERCOT. Many of our member systems have been providing stable and reliable electric power to communities in Texas for over 100 years, and collectively, our members provide more than 13,800 MW of generation and maintain more than 8,500 miles of high-voltage transmission assets or more than 15% on the transmission in ERCOT.

On May 14, 2025, Commission Staff issued the discussion draft, seeking initial comments by June 27, 2025, to which TPPA timely filed comments. Commission Staff also requested reply comments by August 8. These reply comments are timely filed.

## I. TPPA's Initial Comments

After reviewing the comments made by other stakeholders in this docket, TPPA stands by its initial comments in full and does not propose any changes to the recommendations made in those comments.

## II. Reply Comments

TPPA focuses its reply comments on the discussion around Commission Staff's second question regarding general DER issues: *Whether and to what extent §25.210 (>250kW "large" DER interconnection standards) should apply to municipally-owned utilities and electric cooperatives.*

A total of 23 entities filed initial comments, and the vast majority (13) did not express an opinion on this question, despite this topic being specifically posed by Commission Staff for feedback, and no DER developer, owner, or operator pointed to any situation where an MOU or cooperative blocked interconnection of their facilities for any reason other than safety concerns.<sup>1</sup> Simply put, comments reveal no evidence of DER interconnection barriers in MOU or cooperative service areas, thereby negating the need for overarching, standardized interconnection requirements.

In fact, several sets of comments bore out why **DER developers have benefitted from continued innovation and responsiveness to the market by MOUs and cooperatives.** The Joint OEMs, in recommending that the rules expressly allow the deployment of meter socket adapters (MSAs), noted that the only utilities in Texas currently authorizing the use of one type of MSA (the Tesla Backup Switch) were MOUs and cooperatives.<sup>2</sup> ConnectDER, a manufacturer of MSAs, specifically called out their positive working relationship with Texas MOUs like Austin Energy.<sup>3</sup> MOUs and cooperatives have demonstrated greater nimbleness and responsiveness to market needs than might be possible under mandatory statewide regulations.

Moreover, several public interest commenters noted the **need to allow flexibility for local regulations.** For instance, the Lone Star Chapter of the Sierra Club would only support minimum standards for MOUs and cooperatives if they "would not prevent these entities from establishing

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<sup>1</sup> One commenter pointed to an ongoing complaint against Bandera Electric Cooperative, in which the complainant acknowledged that Bandera was concerned with "the reliability of Bandera's system from 'reverse power flow' caused by interconnection of Regis's BESS resources to transformers on Bandera's distribution system." *Complaint of Regis Leakey LLC, Regis Medina LLC, Regis Medina Lake LLC, and Regis Utopia LLC against Bandera Electric Cooperative, Inc.*, Docket No. 57986, Complaint at 3-4 (Apr. 21, 2025). The commenter, Hunt Energy Network, also has a pending motion to intervene in this complaint, asserting that it operates similar battery facilities as Regis'. The complaint is currently abated.

<sup>2</sup> Project No. 54233, Comments of Enphase Energy and Tesla on Staff Discussion Draft Documents at 7 (June 27, 2025).

<sup>3</sup> Project No. 54233, Comments of ConnectDER on Staff Discussion Draft at 4 (June 27, 2025).

additional requirements.”<sup>4</sup> Public Citizen, similarly, argued that the rule should not preempt any federal, state, or local regulations.<sup>5</sup>

For the minority of commenters that supported applying the rule to MOUs and cooperatives, most did so for purely policy reasons without providing statutory analysis. One consultant explicitly hedged her support due to her uncertainty of the Commission’s legal authority to extend these regulations to MOUs and cooperatives, saying “[y]es, if the Commission’s authority allows.”<sup>6</sup> As TPPA, TPPA members, Texas Electric Cooperatives (TEC), and TEC members have consistently noted, the **Commission does not have jurisdiction over the interconnection of DERs in MOU and cooperative service territories.**<sup>7</sup>

The Public Utility Regulatory Act allows the Commission limited jurisdiction over MOUs, confined to specific, enumerated categories. Notably, the Commission is authorized only “to regulate wholesale *transmission* rates and service” of MOUs.<sup>8</sup> In contrast, the governing body of a municipality retains exclusive authority to “set all terms of access, conditions, and rates applicable to services provided by the [MOU]. . . *including nondiscriminatory and comparable rates for distribution*” as well as the right to “determine the extent to which the municipally owned utility will provide various customer services at the distribution level.”<sup>9</sup> Proposed 25.510 imposes a number of requirements on Distribution Service Providers (DSPs), including prescriptive deadlines for providing updates on interconnection timelines. To the extent that proposed § 25.210 seeks to impose such requirements on MOUs in areas beyond wholesale transmission — such as distribution-level interconnection — such application would exceed the Commission’s statutory authority under PURA.

**For both legal and policy reasons, TPPA maintains its steadfast opposition to the Commission’s imposition of standardized interconnection standards to MOU service territories.**

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<sup>4</sup> Project No. 54233, Comments of the Sierra Club, Lone Star Chapter at 3 (June 27, 2025).

<sup>5</sup> Project No. 54233, Comments of Public Citizen at 1 (June 27, 2025).

<sup>6</sup> Project No. 54233, Initial Comments of Alison Silverstein Consulting on Discussion Draft and Associated Forms for DER Interconnection Rules at 2 (June 27, 2025).

<sup>7</sup> See *Review of Distributed Energy Resources*, Project No. 51603, Texas Public Power Association’s Response to Questions for Comment (June 15, 2022), Initial Comments of Austin Energy at 1-2 (June 15, 2022), South Texas Electric Cooperative, Inc.’s Comments on Commission Staff’s Questions on Distributed Energy Resources at 1-2 (June 15, 2022), and Comments of Texas Electric Cooperatives, Inc. at 1-3 (June 15, 2022). See also Project No. 54233, Comments of Texas Electric Cooperatives at 4-6 (Jan. 6, 2023), Texas Public Power Association’s Response to Staff Discussion Draft at 3 (Jan. 6, 2023), CPS Energy’s Initial Responsive Comments in Project No. 54233 at 1-2 (Jan. 6, 2023), Reply Comments of Texas Electric Cooperatives, Inc. at 1-3 (Jan. 18, 2023), CPS Energy’s Reply Comments in Project No. 54233 at 2 (Jan. 18, 2023), Discussion Draft Comments of Texas Electric Cooperatives, Inc. at 2-3 (June 27, 2025), and Texas Public Power Association’s Response to Staff Discussion Draft at 2 (June 27, 2025).

<sup>8</sup> PURA § 40.004(1) (emphasis added). PURA § 41.004 contains similar language regarding cooperatives.

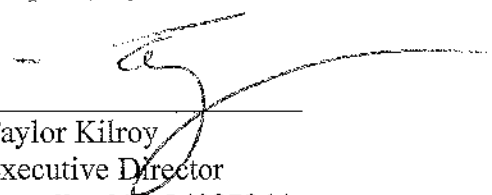
<sup>9</sup> PURA § 40.055(a)(1) and (5) (emphasis added). PURA § 41.055 contains similar language regarding cooperatives.

### **III. Conclusion**

TPPA appreciates the opportunity to submit these comments. As always, TPPA looks forward to working with the Commission, its staff, and the stakeholders on these important questions and this broader discussion in the coming months.

Dated: August 8, 2025

Respectfully,



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