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PUC PROJECT NO. 54233

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

LCRA TRANSMISSION SERVICES CORPORATION'S COMMENTS

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

LCRA Transmission Services Corporation ("LCRA TSC") provides the following comments following the June 16 and 30, 2023 workshops on the proposed language on portions of the interconnection rule for distributed energy resources (DERs).

I. INTRODUCTION

LCRA TSC is a nonprofit corporation and instrumentality of the Lower Colorado River Authority (LCRA) created in 2000 to facilitate LCRA's structural unbundling under Senate Bill 7. LCRA TSC has the authority to carry out LCRA's governmental functions and contributes funds for LCRA's statutory obligations, including public safety, parks management, water quality, and long-term water supply infrastructure. LCRA TSC provides wholesale transmission, transformation, and metering services in the Electric Reliability Council of Texas (ERCOT) region, but does not own or operate distribution facilities that provide electric service directly to any end-use retail customers. As a Transmission Service Provider (TSP), LCRA TSC owns or operates over 5,400 circuit miles of transmission lines and owns facilities in approximately 430 substations. LCRA TSC is registered with the North American Electric Reliability Corporation (NERC) as a Transmission Owner, Transmission Operator, and Transmission Planner, and is the ERCOT-designated transmission operator for over 40 distribution service providers (DSPs).

II. COMMENTS

Although not a DSP, LCRA TSC works closely with several municipally owned utilities and electric cooperatives that interconnect to LCRA TSC's transmission system. Accordingly, LCRA TSC has closely tracked this project and is focused on ensuring that any rule changes that result from this effort are appropriate, practicable, and promote reliable and efficient operations. With that context in mind, LCRA TSC shares the concerns that many other utilities have expressed regarding a proposed requirement to report hosting capacity.

In addition to the issues that have already been identified by other parties, LCRA TSC has identified several practical challenges with developing this type of report, including:

- Hosting capacity can change relatively quickly as a function of load, topology, distribution system upgrades, resource mix, and planned DER in the interconnection queue—rendering these types of reports outdated and potentially unreliable soon after they are produced.
- Requiring recurring, detailed studies of this nature would be costly, particularly for smaller systems, without providing a guarantee that generators can interconnect on a given feeder at a certain time, as additional studies may be necessary to evaluate project- and site-specific constraints.
- These studies may also depend on modeling parameters that the DER is unable or unwilling to provide, requiring utilities to make assumptions that could be incorrect and resulting in assessments that could be inaccurate or misinterpreted.

Instead of requiring utilities to report hosting capacity, LCRA TSC would recommend that any advanced reporting be limited to nameplate capacity information, which is more readily available and could be helpful for initial screening as a first pass. More detailed assessments should be performed after a project has been appropriately vetted and securitized, ensuring that costs are appropriately borne by the entities that request and ultimately benefit from those assessments—similar to the process that has developed for transmission-connected resources in ERCOT.

III. CONCLUSION

LCRA TSC appreciates the Commission's consideration of these comments and looks forward to continuing to engage with stakeholders on this and related topics.

Respectfully submitted,

Emily R. Jolly
Senior Vice President, Regulatory Affairs &
Associate General Counsel
Texas State Bar No. 24057022
Lower Colorado River Authority
P. O. Box 220
Austin, Texas 78767-0220
(512) 578-4011 telephone
(512) 473-4010 facsimile
Email: emily.jolly@lcra.org



By: _____
Emily R. Jolly