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May 5, 2023

Peter Lake, Chairman
Will McAdams, Commissioner
Lori Cobos, Commissioner
Jimmy Glotfelty, Commissioner
Kathleen Jackson, Commissioner
Public Utility Commission of Texas
ATTN: Central Records
1701 N. Congress Avenue, Room 8-100
Austin, Texas 78711-3326

Re: Docket No. 54553, Compliance Filing for Docket No. 53529 (Application of the City of Lubbock, acting by & Through Lubbock Power & Light, for Authority to Connect the Remaining Portion of its Load with the Electric Reliability Council of Texas & for Approval of an Agreement)

Update concerning City of Lubbock's, acting by and through Lubbock Power & Light, integration of load

Dear Chairman and Commissioners:

Consistent with the Commission's order in Docket No. 53529,¹ Electric Reliability Council of Texas, Inc. (ERCOT) and the City of Lubbock, acting by and through Lubbock Power & Light (LP&L), file this letter to jointly update the Commission regarding the integration of LP&L's remaining load into ERCOT.

As discussed in the Commission's order, integration of the remaining load is contingent on Federal Energy Regulatory Commission (FERC) approval of the May 27, 2021 agreement between LP&L and Southwestern Public Service Company (SPS).² SPS submitted the agreement for approval in FERC Docket No. ER23-1144, and FERC issued an order on April 21, 2023, accepting and suspending SPS's request and establishing hearing and settlement judge procedures to address positions advanced by intervenors in the proceeding.³

LP&L is currently working with ERCOT and Market Participants to assess the impact of the FERC order on the timing of the integration of the remaining load into ERCOT and LP&L's

¹ Application of The City of Lubbock, acting by and Through Lubbock Power & Light, for Authority to Connect the Remaining Portion of its Load with the Electric Reliability Council of Texas and for Approval of an Agreement, Docket No. 53529, Ordering Paragraph No. 11 (Mar. 22, 2023).

² Docket No. 53529, Ordering Paragraph No. 9.

³ See Southwestern Public Service Company, 183 FERC ¶ 61,051 (2023).

subsequent transition to retail competition. LP&L and ERCOT anticipate that the FERC order will result in a delay of both the integration of the remaining load and LP&L's transition to retail competition but are currently unable to provide a definitive estimate of the magnitude of the delay due to the uncertainty surrounding the timing of the settlement and hearing procedures at FERC. LP&L and ERCOT will continue working with Market Participants to complete necessary preparations to ensure that integration of the remaining load into ERCOT and LP&L's subsequent transition to retail competition can occur as expeditiously as possible once all required regulatory approvals are obtained.

LP&L and ERCOT appreciate the opportunity to provide the Commission the foregoing update. LP&L and ERCOT will continue to provide updates regarding the integration of the remaining load consistent with the Commission's order in Docket No. 53529,⁴ or as otherwise directed by the Commission.

Sincerely,

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cc: All parties of record in Docket No. 53529

/s/ Jenny Smith

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⁴ Docket No. 53529, Ordering Paragraph No. 11.