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PROJECT NO. 55999

**REVIEW OF ANCILLARY SERVICES
IN THE ERCOT MARKET**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

**CRUSOE'S COMMENTS ON ERCOT'S UPDATE TO ADJUSTED LOAD FORECAST
AND ERCOT'S REQUEST FOR A GOOD CAUSE EXCEPTION FOR THE 2025
REGIONAL TRANSMISSION PLAN**

Crusoe is a vertically integrated AI infrastructure company that takes an “energy-first” approach to building solutions. This means that instead of bringing power to computing infrastructure, Crusoe has pioneered a model that brings data centers to the site of energy generation, co-locating load with generation in a way that is a more efficient use of existing infrastructure and resources and catalyzes new innovation. Crusoe’s “energy-first” model 1) incentivizes net new generation buildout and 2) requires fewer transmission upgrades for these large loads. Crusoe believes it is more efficient to build out fiber networks than it is to build out more costly transmission on the backs of the ratepayers. Crusoe shares the Commission’s goal of ensuring that Texas has a reliable and affordable electric grid. Texas is a very important market for Crusoe and many other large-scale data center developers. Crusoe is only one participant in the data center industry, but it is an integral player in projects in Texas that reach well into the tens of billions of dollars in investment and thousands of local jobs over the next few years.

We respectfully request that the Commissioners deny ERCOT’s requested Good Cause Exception in its current form. ERCOT’s requested deviation from 16 TAC § 25.361(b)(16) and ERCOT Planning Guide § 3.1.7(1)(c) would result in the arbitrary exclusion from “contracted load” of legitimate, co-located loads that are memorialized in a co-located generator’s SGIA with the interconnecting TSP and for which load studies have already been conducted and memorialized in an agreement filed with the Commission and submitted to ERCOT. Stakeholders who have followed ERCOT’s instructions to obtain approval of these co-located loads have acted in reliance on these approvals, and significant harm would result to them if their approvals were now taken away many months later. To avoid an unfair and unreasonable result, these loads should be deemed approved and included in ERCOT’s adjusted load forecast, in line with existing law.

ERCOT is requesting that the Commission approve a good cause exception to adjust a portion of Transmission and/or Distribution Service Provider (“TDSP”) officer letter-attested load that ERCOT would use in the 2025 Regional Transmission Plan (“RTP”) base cases. ERCOT’s methodology for determining its load forecasts, as described in ERCOT’s May 1st filing, has a fundamental inadvertent flaw which would exclude “substantiated loads”¹ that are co-located with generation resources. ERCOT’s request should not be approved without correcting this flaw, which will otherwise exclude loads that are included in a signed Standard Generation Interconnection Agreement (“SGIA”) with a TSP. ERCOT’s methodology inadvertently excludes such loads because their forecasting methodology relies on loads that were attested to in a letter from an officer of the TDSP, rather than being treated as contracted load that is supported by an SGIA with the co-located generator’s TSP.

Under ERCOT’s existing large load interconnection process, requests to interconnect loads co-located with generation resources are not submitted to the co-located retail customer’s DSP; rather, such co-located load interconnection requests are submitted to the generation resource’s TSP since the co-located load customer’s delivery point is the generator’s EPS meter.

The co-located load is memorialized in the generator’s SGIA, although the co-located load customer is not a party to that agreement. If the DSP for the co-located load customer is the same entity as the generator’s interconnecting TSP, then that TDSP likely would execute a Facilities Extension Agreement (“FEA”) with the co-located load customer, and that load would be included in the 2025 RTP base cases.

However, if the DSP for the co-located load customer is a different entity from the co-located generator’s interconnecting TSP, then there most likely is not an FEA or other agreement between the co-located retail customer and the co-located generator’s TSP or between the co-located retail customer and its DSP. As a result, the TSP would not have an FEA because it is not the retail delivery DSP for that retail load customer and the FEA is an agreement with a retail load customer. And the DSP likely would not have an FEA with a co-located retail customer that receives retail power from the grid delivered to the EPS meter at the TSP’s facilities because the

¹ NPPR1180 and PGRR107 define “Substantiated Load” as load that is supported by: (1) an executed interconnection or other agreement; (2) an independent third-party load forecast deemed credible by ERCOT; or (3) a letter from a TDSP officer attesting to such load, which may include load for which a TDSP has yet to sign an interconnection agreement.

DSP did not conduct the load studies and it likely would not own or construct any facilities used to serve that co-located retail load customer.

The Commission should ensure that ERCOT includes in its adjusted load forecast substantiated loads that would be co-located with a generation resource and are memorialized in a co-located generator's SGIA with the interconnecting TSP. Such loads meet ERCOT's definition of "substantiated load" because it is load that is supported by an executed interconnection agreement between the co-located generator and the TSP to which the co-located load is interconnected. In particular, such co-located loads that are memorialized in a co-located generator's SGIA with the interconnecting TSP should be included as "contracted load" because load studies would have already been conducted and that studied load is memorialized in an agreement that is then required to be filed with the Commission and submitted to ERCOT under existing rules.

Dated: May 7, 2025

Respectfully submitted,

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