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REPORTS OF THE ELECTRIC	§	PUBLIC UTILITY COMMISSION
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RELIABILITY COUNCIL OF TEXAS	§	OF TEXAS

**SHELL ENERGY COMMENTS ON ERCOT'S REQUEST FOR GOOD CAUSE
EXCEPTION FOR 2025 REGIONAL TRANSMISSION PLAN**

Shell Energy North America (US) LP (“Shell Energy”) appreciates the opportunity to provide comments in response to the Electric Reliability Council of Texas’s (ERCOT) request for good cause exception to vary from the requirements in 16 Tex. Admin. Code (TAC) § 25.361(b)(16) and the ERCOT Nodal Protocols and Planning Guide related to the calculation of the load forecast to be used in the 2025 Regional Transmission Plan. Shell Energy has a widespread stake in the electricity market, spanning retail interests, thermal generation ownership, energy scheduling, renewable and emerging technology development, and risk management services spanning the transmission and distribution system. Given the wide range of interests, Shell Energy advocates for transparent, competitive, technology-neutral market-based solutions to achieve desired reliability objectives at the lowest cost.

COMMENTS

Shell Energy supports taking all the necessary steps to increase the reliable connection of new loads on to the ERCOT transmission system as expeditiously as possible and supports the efforts needed to increase the accuracy of long-term load forecasts. Among the different steps involved in load projections, improvement in transparency and accuracy of the transmission service provider (TSP) officer attestation process will provide the most benefit to the market and system as it has contributed the most to the increase in the load forecast with the implementation

of House Bill (HB) 5066¹. Shell Energy appreciates the efforts by TSPs to scrutinize the load interconnection requests that they support with officer attestations, and TSPs work with other ERCOT stakeholders on improving the transparency of the load interconnection process. We agree with many TSPs and ERCOT that standardization is needed across TSPs so that the market can have greater confidence in the resulting forecast. We look forward to working with ERCOT, TSPs, and other stakeholders to improve standardization in the process so that there should not be any need for ERCOT to request good cause exceptions from its rules in the future related to the forecast.

The accuracy of the forecast affects the prospective outlook of the ERCOT market. When market participants and potential investors are skeptical of the load forecast, it decreases the market's faith in other projections that use the forecast as an input and increases the uncertainty and risk of investing in the ERCOT market.

The need for this request by ERCOT points to larger issues in the process of including potential loads for planning and reliability studies. If the Texas Legislature does not pass legislation that requires the Public Utility Commission of Texas (Commission) to establish interconnection standards for large loads in the ERCOT Region, it is imperative that the Commission take up this effort to improve the accuracy and transparency of the load projections. The establishment of standards and criteria for the inclusion of load in forecasts is critical to developing accurate planning for transmission and resource adequacy that load, generation, and transmission developers can rely on. The more accurate and transparent the projections are, the

¹ 88th Tex. Leg., R.S., House Bill 5066 (effective Jun. 13, 2023).

better the risk analysis that stakeholders can do to justify investing in the ERCOT market to support the projected load growth.

The ERCOT Region is at the precipice of unprecedented load growth at a time when there are already high levels of uncertainty in the ERCOT market. The accuracy and transparency of the market fundamentals are paramount in increasing investment in the region and as such we respectfully request commission to initiate a process to standardize and improve the accuracy of the TSP officer attestation process.

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Respectfully submitted,

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