



Control Number: 56164



Item Number: 68

OPEN MEETING COVER SHEET COMMISSIONER MEMORANDUM

MEETING DATE: April 24, 2025

DATE DELIVERED: April 23, 2025

AGENDA ITEM NO.: 22


CAPTION: Docket No. 56164 - Application of City of Caldwell, Texas to Transfer Megawatts of Load to ERCOT

DESCRIPTION: Chairman Thomas Gleeson Memorandum

Public Utility Commission of Texas

Commissioner Memorandum

TO: Commissioner Kathleen Jackson
Commissioner Courtney K. Hjaltman

FROM: Chairman Thomas J. Gleeson 

DATE: April 23, 2025

RE: April 24, 2025 Open Meeting – Item No. 22
Docket No. 56164 – *Application of City of Caldwell, Texas to Transfer Megawatts of Load to ERCOT*

Before the Commission is a revised proposed order based on the signatories' unopposed agreement to approve the City of Caldwell's application for a load transfer into ERCOT. If the Commission approves the revised proposed order, I recommend the following changes.

A new finding of fact should be added after finding of fact 59 to address hold harmless payments, for completeness and consistency with the Commission's previous load transfer orders.¹

FOF. It is reasonable that Caldwell not be required to make any hold harmless payments to ERCOT, to Entergy, or to any other MISO utility as a result of the load transfer.

Finding of fact 68 and ordering paragraph 10 should be modified to include all entities responsible for transmission service in the area related to this transaction.

FOF68. It is reasonable and necessary to require that Caldwell, LCRA, and Entergy take no action that would cause ERCOT or a market participant within the ERCOT region that is not a public utility under the Federal Power Act to become a public utility under the Federal Power Act or otherwise become subject to FERC's plenary jurisdiction.

OP10. Caldwell, LCRA, and Entergy must take no action that would cause ERCOT or a market participant within the ERCOT region that is not a public utility under the Federal Power Act to become a public utility under the Federal Power Act or otherwise become subject to FERC's plenary jurisdiction. Caldwell, LCRA, and Entergy must ensure that no commingling of energy between the MISO region and the ERCOT region

¹ *Petition of East Texas Electric Cooperative, Inc. for Authority to Transfer 35 Megawatts of Load Into the Electric Reliability Council of Texas*, Docket No. 47898, Order at Finding of Fact No. 51 (Sept. 3, 2019); *Joint Application of Rayburn County Electric Cooperative Inc. and Lone Star Transmission LLC to Transfer Load to ERCOT, for Sale of Transmission Facilities, and Transfer of Certificate Rights in Henderson and Van Zandt Counties*, Docket No. 48400, Order at Finding of Fact No. 86 (Mar. 13, 2019).

occurs before the load transfer date, during the physical disconnection of the transferring load from the MISO region and interconnection of the transferring load into the ERCOT region, and at all times thereafter.

A new finding of fact after finding of fact 70 and a new ordering paragraph should be added after ordering paragraph 12 to address a future transfer out of ERCOT, for completeness and consistency with the Commission's previous load transfer orders.²

FOF. In the event of a future transfer of Caldwell's load out of the ERCOT system, it is reasonable and necessary that Caldwell does not disconnect its load from the ERCOT system unless and until Caldwell obtains approval from the Commission and complies with any future rule or decision of the Commission that may govern the payment of an exit fee upon an entity seeking approval to depart the ERCOT region system.

OP. In the event of a future transfer of Caldwell's load out of the ERCOT system, Caldwell may not disconnect the load from ERCOT unless and until Caldwell obtains approval from the Commission and complies with any future rule or decision of the Commission.

A new finding of fact should be added after finding of fact 70 to address securitization default and uplift charges, for completeness and clarity.

FOF. If Caldwell's load is successfully integrated into the ERCOT system, it is reasonable that ERCOT would, unless otherwise directed by the Commission, include Caldwell in the assessment of securitization default charges under PURA §§ 39.601–39.609 and would likewise include Caldwell's load in the assessment of securitization uplift charges under PURA §§ 39.651–39.664.

Ordering paragraph 9 should be modified for clarity to provide guidance for the compliance docket's monitoring of the load transfer.

OP9. Caldwell and LCRA TSC must notify the Commission and ERCOT that the load transfer will become operational no later than 48 hours before the load transfer becomes operational. Upon completion of the load transfer, Caldwell must file notice in Docket No. 57517 that the load transfer is complete. Upon receipt of notice that the load transfer is complete, the presiding officer in Docket No. 57517 must establish a schedule by which Commission Staff must file a recommendation on whether the compliance docket should be closed.

Finally, the Commission should delegate to the Office of Policy and Docket Management staff the authority to modify the order to conform to the Citation and Style Guide for the Public Utility Commission of Texas and to make other non-substantive changes to the order for such

² Docket No. 47898, Order at Finding of Fact No. 56 and Ordering Paragraph No. 7; Docket No. 48400, Order at Finding of Fact No. 94 and Ordering Paragraph No. 10.

matters as capitalization, spelling, grammar, punctuation, style, correction of numbering, and readability.

I look forward to discussing this matter with you at the open meeting.