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DOCKET NO. 56759

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| SETTLEMENT AGREEMENT AND | § | PUBLIC UTILITY COMMISSION OF |
| REPORT TO THE COMMISSION | § | |
| REGARDING SE ARAGORN, LLC, | § | TEXAS |
| SE JUNO, LLC, AND SE TITAN, | § | |
| LLC’S VIOLATIONS OF PURA § | § | |
| 39.151(J); 16 TEXAS | § | |
| ADMINISTRATIVE CODE § | § | |
| 25.503(F)(2) AND (10); ERCOT | § | |
| NODAL OPERATING GUIDE §§ | § | |
| 2.9(2), 2.9.1(8), 5.1(1), AND 6.1.3.4(2); | § | |
| AND ERCOT PLANNING GUIDE §§ | § | |
| 6.2(5)(C) AND (7) RELATED TO | § | |
| VOLTAGE RIDE THROUGH (VRT) | § | |

SETTLEMENT AGREEMENT AND REPORT TO THE COMMISSION

The Staff of the Public Utility Commission of Texas (Commission Staff); SE Aragorn, LLC (Aragorn); SE Juno, LLC (Juno); and SE Titan, LLC (Titan) (collectively, the parties) enter into this settlement agreement (agreement) and file this joint report to the Public Utility Commission (Commission) under 16 Texas Administrative Code (TAC) § 22.246(h)(1). The agreement resolves and concludes Commission Staff’s investigation of Aragorn, Juno, and Titan for alleged violations of the Public Utility Regulatory Act (PURA)¹ § 39.151(j); 16 TAC § 25.503(f)(2) and (10); Electric Reliability Council of Texas, Inc. (ERCOT) Nodal Operating Guide §§ 2.9(2), 2.9.1(8), 5.1(1)(c), and 6.1.3.4(2); and ERCOT Planning Guide §§ 6.2(5)(c) and (7)² related to voltage ride-through.).³

The parties agree as follows:

1. The parties stipulate to the facts set forth in this agreement and respectfully request entry of a Commission order consistent with the parties’ attached agreed proposed order.⁴

¹ Public Utility Regulatory Act, Tex. Util. Code §§ 11.001-66.016.

³ Citations to ERCOT Operating Guide and Planning Guide provisions are to those that were in effect at the time the alleged violations occurred.

⁴ Attachment A.

2. The Commission has jurisdiction over this matter under PURA §§ 14.051, 14.054, 15.023, 15.024, and 39.151.
3. SE Aragorn, LLC is a Delaware limited liability company registered with the Texas secretary of state under filing number 802732979.
4. SE Juno, LLC is a Delaware limited liability company registered with the Texas secretary of state under filing number 803090865.
5. SE Titan, LLC is a Delaware limited liability company registered with the Texas secretary of state under filing number 802903450.
6. SE Aragorn, LLC is registered with the Commission as a power generation company under PGC registration number 20786, is registered with ERCOT as a Resource Entity, and operates solar generation resource (GR) “Aragorn Unit 1”, which generates electricity to be sold at wholesale in the ERCOT region.
7. SE Juno, LLC is registered with the Commission as a power generation company under PGC registration number 20586, is registered with ERCOT as a Resource Entity, and operates solar GRs “Juno LLC” and “Juno LLC 2”, which generate electricity to be sold at wholesale in the ERCOT region.
8. SE Titan, LLC is registered with the Commission as a power generation company under PGC registration number 20577, is registered with ERCOT as a Resource Entity, and operates solar GRs “TI Solar Unit 1” and “TI Solar Unit 2”, which generate electricity to be sold at wholesale in the ERCOT region.
9. As Resource Entities, SE Aragorn, LLC; SE Juno, LLC; and SE Titan, LLC are each market participants.

Applicable Law

10. Under PURA § 39.151(j), a power generation company must observe all scheduling, operating, planning, reliability, and settlement policies, rules, guidelines, and procedures established by the independent system operator in ERCOT.
11. Under 16 TAC § 25.503(f)(2), a market participant must comply with ERCOT procedures, and any official interpretation of the Protocols issued by ERCOT or the Commission.

12. Under 16 TAC § 25.503(f)(10), a market participant must comply with requests for information or data by ERCOT as specified by the Protocols or ERCOT instructions within the time specified by ERCOT instructions, or such other time agreed to by ERCOT and the market participant.
13. Under ERCOT Nodal Operating Guide § 2.9(2), “[d]uring operating conditions listed in paragraph (1) above, each Generation Resource shall not, during and following a transient voltage disturbance, cease providing real or reactive power except to the extent needed to provide frequency support or aid in voltage recovery.”
14. Under ERCOT Nodal Operating Guide § 2.9.1(8), all IRRs that fail to comply with VRT standards must investigate and report the causes of the tripping and provide a reasonable mitigation plan and timeline.
15. Under ERCOT Nodal Operating Guide § 5.1(1), market participants must provide ERCOT with accurate modeling data for GRs, including information that represents the GR’s generation and interconnection facilities, and modeling information detailed in the procedures of Steady State Working Group, Dynamics Working Group, and System Protection Working Group.
16. Under ERCOT Nodal Operating Guide § 6.1.3.4(2), GR owners must keep dynamic disturbance recording data for ten days from the date of the disturbance and provide the data in conformance with Institute of Electrical and Electronics Engineers (IEEE) standards upon request within 30 days.
17. Under ERCOT Planning Guide § 6.2(5)(c), GRs must perform model quality tests such as voltage and frequency disturbance tests and provide the results with associated simulation files that demonstrate acceptable performance of the models whenever a new or updated dynamic model is provided to ERCOT.
18. Under ERCOT Planning Guide § 6.2(7), GRs must provide updated dynamics data when field tests, inspections, or other information demonstrates that the dynamics data should be changed to accurately represent the dynamic characteristics of the facility.

Violations of PURA § 39.151(j) and 16 TAC § 25.503(f)(2)

19. Aragorn

- a. ***Alleged Voltage Ride Through Failures:*** Staff alleges that on more than one occasion, Aragorn failed to ride through voltage disturbances. Aragorn maintains that ERCOT Nodal Operating Guide § 2.9(2) does not apply to IRRs and that ERCOT Nodal Operating Guide § 2.9(2) is a settings standard, not a performance standard. The parties acknowledge that execution of this agreement does not constitute admission by Aragorn of a violation of ERCOT Nodal Operating Guide § 2.9(2).
 - i. **June 4, 2022:** On June 4, 2022, a lightning arrestor failed at a thermal GR operated by a separate entity, causing a fault on the bulk power system. The fault cascaded when protection schemes at other GR facilities activated, causing an additional synchronous tripping event (Event 1). Event 1 caused a total loss of approximately 2,560 megawatts (MW) of generation capacity. Event 1 caused frequency and voltage deviations that led to several of Aragorn's inverters tripping, which Aragorn failed to ride through and thus resulted in a reduction in Aragorn's output.
 - ii. **October 3, 2022:** On October 3, 2022, a Medium Voltage Transformer (MVT) failed, causing the inverters to trip and thus, Aragorn failed to ride through the fault.
 - iii. **March 24, 2023:** On March 24, 2023, a fault occurred near the unit causing the inverters to trip and thus, Aragorn failed to ride through the fault.
- b. ***Failure to provide data:*** Following Event 1, ERCOT requested disturbance recording data from its phasor measurement unit (PMU) and digital fault recorders (DFR). However, when ERCOT's request was received, the person with access to the data and knowledge of the deletion setting was out of the office. When the individual returned to work, the data had already been written over. Thus, Aragorn failed to provide PMU data.
- c. ***Failure to provide mitigation plan and timeline:*** ERCOT requested Aragorn's mitigation plan and a timeline for corrective actions on September 2, 2022, and again on October 3, 2022. Aragorn provided a mitigation plan and timeline on October 4, 2022. ERCOT made a follow-up request on October 17, 2022, and Aragorn sent an updated mitigation plan and timeline on October 18, 2022, and November 14, 2022.

- d. ***Failure to update modeling data:*** After taking corrective actions, which included a change to inverter configuration settings, the GR was required to submit updated dynamic models, plant verification reports, and model quality test reports within thirty days of implementation of setting changes. Aragorn submitted the data after the thirty-day deadline.

20. Juno

- a. ***Alleged Voltage Ride Through Failure:*** Prior to Event 1, Juno Unit 1 was generating approximately 159 MWs, and Juno Unit 2 was generating approximately 136 MWs. When Event 1 occurred, output of both units immediately dropped to zero MW due to several of the inverters tripping and thus, Staff alleges that Juno failed to ride through. Juno maintains that ERCOT Nodal Operating Guide § 2.9(2) does not apply to IRRs and that ERCOT Nodal Operating Guide § 2.9(2) is a settings standard, not a performance standard. The parties acknowledge that execution of this agreement does not constitute admission by Juno of a violation of ERCOT Nodal Operating Guide § 2.9(2).
- b. ***Failure to provide mitigation plan and timeline:*** ERCOT requested Juno's mitigation plan and a timeline for corrective actions on September 2, 2022, and again on October 3, 2022. Juno provided a mitigation plan and timeline on October 4, 2022. ERCOT made a follow-up request on October 17, 2022, and Juno sent an updated mitigation plan and timeline on October 18, 2022, and November 14, 2022.
- c. ***Failure to update modeling data:*** After taking corrective actions, which included a change to inverter configuration settings, the GRs were required to submit updated dynamic models, verification reports, and model quality test reports within thirty days of implementation of setting changes. Juno submitted the data after the thirty-day deadline.

21. Titan

- a. ***Alleged Voltage Ride Through Failure:*** At the time of Event 1, Titan Unit 1 was generating approximately 134 MWs and Titan Unit 2 was generating approximately 127 MWs. Output of both units fell to zero MW immediately following the fault due to several of its inverters tripping and thus, Staff alleges that Titan failed to ride

- through. Titan maintains that ERCOT Nodal Operating Guide § 2.9(2) does not apply to IRRs and that ERCOT Nodal Operating Guide § 2.9(2) is a settings standard, not a performance standard. The parties acknowledge that execution of this agreement does not constitute admission by Titan of a violation of ERCOT Nodal Operating Guide § 2.9(2).
- b. ***Failure to provide mitigation plan and timeline:*** ERCOT requested Titan's mitigation plan and a timeline for corrective actions on September 2, 2022, and again on October 3, 2022. Titan provided a mitigation plan and timeline on October 4, 2022. ERCOT made a follow-up request on October 17, 2022, and Titan sent an updated mitigation plan and timeline on October 18, 2022, and November 14, 2022.
 - c. ***Failure to provide data:*** Following Event 1, ERCOT requested disturbance recording data from its PMU and DFR. However, when ERCOT's request was received, the person with access to the data and knowledge of the deletion setting was out of the office. When this person returned to work, the data had been deleted. Thus, Aragorn failed to provide PMU data.
 - d. ***Failure to timely update modeling data:*** After taking corrective actions, which included a change to inverter configuration settings, the GRs were required to submit updated dynamic models, verification reports, and model quality test reports within thirty days of implementation of setting changes. Titan failed to submit the requested data within the thirty-day deadline.

Corrective Actions

22. Aragorn, Juno, and Titan have implemented the following corrective measures to prevent non-compliance with 16 TAC § 25.503(f)(2), from occurring, and will maintain such measures going forward:
- a. Aragorn, Juno, and Titan implemented three significant changes to support voltage ride-through capabilities by working with its Original Equipment Manufacturer and ERCOT: changes to relay settings, upgrades to software and firmware, and overcurrent protections. Aragorn, Juno, and Titan remained in contact with ERCOT after Event 1 and held multiple technical conferences in an effort to address concerns.

- b. Aragorn, Juno, and Titan underwent an audit of their communications protocols to identify improvements to their policies.
- c. Aragorn, Juno, and Titan have implemented a communication protocol to ensure timely responses to ERCOT requests.
- d. Aragorn, Juno, and Titan provided relevant employees additional compliance training on communication protocols to ensure inquiries from ERCOT are responded to in accordance with improved communications protocols.
- e. Aragorn, Juno, and Titan have also improved their compliance programs.
- f. Aragorn, Juno, and Titan have changed data overwrite settings from 10 days to 20 days and have implemented a secured back up that will retain data for two years. Aragorn, Juno, and Titan also changed their policies such that three people (rather than one person) have access to PMU data.

Settlement Terms and Agreement

- 23. On March 19, 2024, Commission Staff notified Aragorn, Juno, and Titan of the results of its investigation and provided information about the opportunity to explain their activities and rights to a hearing.
- 24. Aragorn, Juno, and Titan fully cooperated with Commission Staff's investigation.
- 25. Under PURA § 15.023, the Commission is authorized to impose administrative penalties for violations of PURA or rules adopted under PURA.
- 26. Under 16 TAC § 25.8(b)(3)(B), violations that create cause a risk to the reliability of a transmission or distribution system are Class A violations. The maximum penalty for a Class A violation may not exceed \$25,000 per violation per day.
- 27. Commission Staff recommends, and Aragorn, Juno, and Titan agree to pay a combined administrative penalty of \$360,000 in resolution of (1) the violations acknowledged in this agreement and (2) Commission Staff's alleged violations of ERCOT Nodal Operating Guide § 2.9(2).

28. In support of the agreed administrative penalty, Commission Staff provides the following analysis of factors to be considered when determining a reasonable and appropriate administrative penalty, as required under PURA § 15.023(c) and 16 TAC § 22.246(c)(3):

- a. ***The seriousness of the violation, including the nature, circumstances, extent, and gravity of any prohibited acts, and the hazard or potential hazard created to the health, safety, or economic welfare of the public.*** The violations and alleged violations described in this settlement agreement are serious in nature. Failure to ride-through frequency and voltage deviations, and the failure to mitigate the causes of these ride-through problems, jeopardizes system stability and can lead to severe consequences, such as cascading generation resource outages or triggering of the first stage of a load shed event. The alleged ERCOT Nodal Operating Guide § 2.9(2) violations have the potential to harm the reliability of the entire ERCOT power system. Additionally, failure to timely provide a mitigation plan and timeline, failure to provide PMU data, and failure to timely provide dynamic modeling updates represents significant increased risk to grid reliability as diagnostic efforts such as data sharing allows ERCOT to support asset maintenance and protection, to improve grid reliability, including avoiding outages and load shed.
- b. The parties acknowledge that execution of this agreement does not constitute admission by Aragorn, Juno, and Titan of a violation of ERCOT Nodal Operating Guide § 2.9(2).
- c. ***The economic harm to property or the environment caused by the violation.*** Commission Staff is not aware of any economic harm to property, or the environment caused by the violations alleged in this agreement.
- d. ***The history of previous violations.*** Commission Staff is not aware of a history of previous violations involving Aragorn, Juno, or Titan.
- e. ***The amount necessary to deter future violations.*** Commission Staff finds that the recommended administrative penalty is the appropriate amount to deter future potential violations of this nature.

- f. *Efforts to correct the violations.* Aragorn, Juno, and Titan underwent an audit of their communications protocols, implemented improvements to their communications protocols, and trained their employees on those protocols. Aragorn, Juno, and Titan improved their compliance programs. Aragorn, Juno, and Titan updated their data overwrite settings and access. And Aragorn, Juno, and Titan implemented changes to relay settings, upgrades to software and firmware, and overcurrent protections to improve voltage ride-through capabilities.
- g. *Any other matter that justice may require.* The recommended administrative penalty factored in consideration of Aragorn, Juno, and Titan's willingness to implement further protective measures to prevent future potential violations of the same nature as those detailed in this agreement.

Other Terms

- 29. This agreement resolves all claims related to the events described herein and supersedes all other communications among the parties or their representatives regarding its terms.
- 30. Unless specifically provided for in this agreement, Aragorn, Juno, and Titan waive any notice and procedures that might otherwise be authorized or required in this proceeding.
- 31. Nothing in this agreement shall limit Commission Staff's ability to perform its enforcement functions as set forth in PURA and the Commission rules.
- 32. A party's support of the resolution of this docket in accordance with this agreement may differ from its position or testimony regarding contested issues of law, policy, or fact in other proceedings before the Commission or other forums. Because this is a settlement agreement, a party is under no obligation to take the same position as set out in this agreement in other proceedings not referenced in this agreement, whether those dockets present the same or a different set of circumstances. The parties' agreement to entry of a final order of the Commission consistent with this agreement should not be regarded as an agreement as to the appropriateness or correctness of any assumptions, methodology, or legal or regulatory principle that may have been employed in reaching this agreement.
- 33. The parties contemplate that this agreement will be approved pursuant to 16 TAC § 22.246(h)(1)(C). If, however, the Commission issues an order that materially changes

the terms of this agreement, the parties agree that any party adversely affected by that material alteration has the right to withdraw from this agreement, thereby becoming released from its obligations arising hereunder, and to proceed as otherwise permitted by law to exercise all rights available under law. The right to withdraw must be exercised by filing a written notice in the proceeding within seven calendar days of the date the Commission files the final order acting on this agreement. Failure to file a notice of withdrawal within the specified time period constitutes acceptance of the material changes to this agreement made by the Commission.

34. This agreement is the final and entire agreement between the parties regarding Commission Staff's investigation of Aragorn, Juno, and Titan concerning the alleged violations described herein and supersedes all other communications among the parties or their representatives regarding its terms.
35. Each person executing this agreement represents that he or she has been authorized to sign on behalf of the party represented. Copies of signatures are valid to show execution. If this agreement is executed in multiple counterparts, each is deemed an original, but all of which will constitute the same agreement.
36. Aragorn, Juno, and Titan warrant that they have read this agreement carefully, know the contents thereof, and sign the same as a free act.

EXECUTED by the parties by their authorized representatives designated below.



Date: December 2, 2024

Name: Ryan Bates
Title: Vice President, Secretary
SE Aragorn, LLC



Date: December 2, 2024

Name: Ryan Bates
Title: Vice President, Secretary
SE Juno, LLC



Date: December 2, 2024

Name: Ryan Bates
Title: Vice President, Secretary
SE Titan, LLC

A handwritten signature in black ink, appearing to read "Rachel Seshan", written over a horizontal line.

Date: 12/2/24

Rachel Seshan
Attorney
Division of Compliance and Enforcement
Public Utility Commission of Texas

ATTACHMENT A
PROPOSED ORDER

DOCKET NO. 56759

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|---|----------|-------------------------------------|
| SETTLEMENT AGREEMENT AND | § | PUBLIC UTILITY COMMISSION OF |
| REPORT TO THE COMMISSION | § | |
| REGARDING SE ARAGORN, LLC, | § | TEXAS |
| SE JUNO, LLC, AND SE TITAN, | § | |
| LLC’S VIOLATIONS OF PURA § | § | |
| 39.151(J); 16 TEXAS | § | |
| ADMINISTRATIVE CODE § | § | |
| 25.503(F)(2) AND (10); ERCOT | § | |
| NODAL OPERATING GUIDE §§ | § | |
| 2.9(2), 2.9.1(8), 5.1(1),AND 6.1.3.4(2); | § | |
| AND ERCOT PLANNING GUIDE §§ | § | |
| 6.2(5)(C) AND (7) RELATED TO | § | |
| VOLTAGE RIDE THROUGH (VRT) | § | |

PROPOSED ORDER

This Order addresses the agreement between the Staff of the Public Utility Commission of Texas (Commission Staff) and SE Aragorn, LLC (Aragorn); SE Juno, LLC (Juno); and SE Titan, LLC (Titan), relating to Commission Staff’s investigation of Aragorn, Juno, and Titan for alleged violations of the Public Utility Regulatory Act (PURA)¹ § 39.151(j); 16 Texas Administrative Code (TAC) § 25.503(f)(2) and (10); Electric Reliability Council of Texas, Inc. (ERCOT) Nodal Operating Guide §§ 2.9(2), 2.9.1(8), 5.1(1)), and 6.1.3.4(2); and ERCOT Planning Guide §§ 6.2(5)(c) and (7). The agreement also serves as a report to the Commission under 16 TAC § 22.246(h)(1). Commission Staff recommends that Aragorn, Juno, and Titan, pay to the Commission an administrative penalty of \$360,000. Aragorn, Juno, and Titan agree to pay the administrative penalty recommended by Commission Staff. The Commission approves the agreed penalty to the extent provided in this Order.

¹ Public Utility Regulatory Act, Tex. Util. Code §§ 11.001-66.016.

I. Findings of Fact

The Commission makes the following findings of fact:

Respondent

1. SE Aragorn, LLC is a Delaware limited liability company registered with the Texas secretary of state under filing number 802732979.
2. SE Juno, LLC is a Delaware limited liability company registered with the Texas secretary of state under filing number 803090865.
3. SE Titan, LLC is a Delaware limited liability company registered with the Texas secretary of state under filing number 802903450.
4. SE Aragorn, LLC is registered with the Commission as a power generation company under PGC registration number 20786, is registered with ERCOT as a Resource Entity, and operates solar GR “Aragorn Unit 1,” which generates electricity to be sold at wholesale in the ERCOT region.
5. SE Juno, LLC is registered with the Commission as power generation company under PGC registration number 20586, is registered with ERCOT as a Resource Entity, and operates solar GRs “Juno LLC” and “Juno LLC 2”, which generate electricity to be sold at wholesale in the ERCOT region.
6. SE Titan is registered with the Commission as power generation company under PGC registration number 20577, is registered with ERCOT as a Resource Entity, and operates solar GRs “TI Solar Unit 1” and “TI Solar Unit 2,” which generate electricity to be sold at wholesale in the ERCOT region.
7. As Resource Entities, Aragorn, Juno, and Titan are ERCOT market participants.

Violations

8. Commission Staff alleges that on June 4, 2022, Aragorn, Juno, and Titan each failed to ride through a voltage disturbance event (Event 1) on the ERCOT transmission system.
9. Staff alleges that on October 3, 2022, Aragorn failed to ride through a subsequent voltage disturbance event.

10. Staff alleges that on March 24, 2023, Aragorn failed to ride through another voltage disturbance event.
11. Following Event 1, ERCOT required Aragorn, Juno, and Titan to provide phasor measurement unit, digital fault recorders, and relay data related to Event 1.
12. Following Event 1, ERCOT required Aragorn, Juno, and Titan to provide mitigation plans and implementation timelines. Aragorn, Juno, and Titan did not timely submit mitigation plans or timelines.
13. Following Event 1, ERCOT required Aragorn, Juno, and Titan to provide dynamic modeling data updates and related documentation (DM package). Aragorn, Juno, and Titan did not timely submit DM packages.

SB Energy's Corrective Actions

14. To prevent future similar occurrences and ensure compliance, Aragorn, Juno, and Titan has taken proactive steps. Specifically, Aragorn, Juno, and Titan informed Commission Staff of the following corrective actions, and will maintain such measures going forward:
 - a. Aragorn, Juno, and Titan implemented three significant changes to support voltage ride-through capabilities by working with its Original Equipment Manufacturer and ERCOT: changes to relay settings, upgrades to software and firmware, and overcurrent protections. Aragorn, Juno, and Titan remained in contact with ERCOT after Event 1 and held multiple technical conferences in an effort to address concerns.
 - b. Aragorn, Juno, and Titan underwent an audit of their communications protocols to identify improvements to their policies.
 - c. Aragorn, Juno, and Titan have implemented a communication protocol to ensure timely responses to ERCOT requests.
 - d. Aragorn, Juno, and Titan provided relevant employees additional compliance training on communication protocols to ensure inquiries from ERCOT are responded to in accordance with improved communications protocols.
 - e. Aragorn, Juno, and Titan have also improved their compliance programs.
 - f. Aragorn, Juno, and Titan have changed data overwrite settings from 10 days to 20 days and have implanted a secured cloud back up that will retain data for two years.

Aragorn, Juno, and Titan also updated policies to allow for additional personnel to have access to PMU data.

Agreement

15. Aragorn, Juno, and Titan fully cooperated with Commission Staff's investigation.
16. Aragorn, Juno, and Titan acknowledge the factual basis for the violations alleged by Commission Staff as detailed in this Order.
17. Aragorn, Juno, and Titan maintain their position that ERCOT Nodal Operating Guide § 2.9(2) does not apply to IRRs and that ERCOT Nodal Operating Guide § 2.9(2) is a settings standard, not a performance standard. The parties acknowledge that execution of the agreement does not constitute admission by Aragorn, Juno, and Titan of a violation of ERCOT Nodal Operating Guide § 2.9(2).
18. On December 3, 2024, Commission Staff and Aragorn, Juno, and Titan, entered into an agreement resolving the alleged violations described in this Order. Commission Staff recommended, and Aragorn, Juno, and Titan agreed to pay an administrative penalty of \$360,000 in final settlement of the alleged violations.
19. On December 3, 2024, Commission Staff filed a copy of the executed agreement with the Commission's filing clerk.

Notice

20. On March 19, 2024, Commission Staff notified Aragorn, Juno, and Titan of the results of its investigation and provided information about the opportunity to explain their activities, and rights to a hearing.

Evidentiary Record

21. On December 3, 2024, parties filed a joint motion to admit evidence.
22. In Order No. _____, filed on _____, 2024, the administrative law judge admitted the following evidence into the record of this proceeding: the parties' application for approval of a settlement agreement and all attachments filed on December 3, 2024.

Informal Disposition

23. More than 15 days have passed since the completion of all notice requirements.

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24. No person filed a protest or motion to intervene.
25. Aragorn, Juno, Titan, and Commission Staff are the only parties to this proceeding.
26. No party requested a hearing, and no hearing is needed.
27. Commission Staff recommended approval of the agreement.
28. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law:

1. The Commission has jurisdiction over this matter under PURA §§ 14.051, 14.054, 15.023, 15.024, and 39.151.
2. Aragorn, Juno, and Titan are power generation companies as that term is defined in PURA § 31.002(10) and 16 TAC § 25.5(82).
3. Aragorn, Juno, and Titan are market entities as defined in 16 TAC § 25.503(c)(5).
4. Aragorn, Juno, and Titan violated ERCOT Nodal Operating Guide § 2.9(2) on seven instances when Aragorn, Juno and Titan failed to ride through voltage disturbance events on June 4, 2022 (Event 1), and on October 3, 2022, and March 4, 2023, when Aragorn again failed to ride through disturbance events.
5. Aragorn, Juno, and Titan violated ERCOT Nodal Operating Guide § 2.9.1(8) on five instances when they failed to timely provide mitigation plans and timelines for corrective actions taken after Event 1.
6. Aragorn, Juno, and Titan violated ERCOT Nodal Operating Guide § 5.1(1) when they failed to timely provide modeling data.
7. Aragorn and Titan violated ERCOT Planning Guide § 6.1.3.4(2) on two instances when they failed to record capture, record, and retain then provide to ERCOT disturbance data after Event 1.
8. Aragorn, Juno, and Titan violated ERCOT Planning Guide § 6.2(5)(c) when, after changing settings, they failed to timely submit updated dynamic models and associated files.

9. Under PURA § 15.023, the Commission has the authority to impose administrative penalties against Aragorn, Juno, and Titan for violations of PURA and Commission rules.
10. Under 16 TAC § 25.8(b)(3)(B)(ii), the violations described herein are Class A violations.
11. Under 16 TAC § 25.8(b)(3)(A), the Commission may impose a penalty against Aragorn, Juno, and Titan up to \$25,000 per violation per day for a Class A violation.
12. Aragorn, Juno, and Titan were provided proper notice of Commission Staff's investigation into this matter, the results of the investigation, information about the right to a hearing, and an opportunity to explain its activities, as required under 16 TAC §§ 22.241(a)(2) and 22.246(f)(2).
13. The filing of the agreement meets the requirements of 16 TAC § 22.246(h)(1).
14. The Commission processed this docket in accordance with applicable statutes and Commission rules.
15. The requirements for informal disposition in 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders:

1. The Commission approves the agreed administrative penalty to the extent provided in this Order.
2. Aragorn, Juno, and Titan must comply with the terms of the agreement and this Order.
3. Aragorn, Juno, and Titan must pay an administrative penalty in the amount of \$360,000 to the Commission. Aragorn, Juno, and Titan must remit payment of the full amount of the administrative penalty on or before 30 calendar days after the date the Commission signs this Order. Payment of the administrative penalty may be made by check payable to the Public Utility Commission of Texas. The check must reference this docket and must be sent to the following address:

Public Utility Commission of Texas
ATTN: Fiscal Services
P.O. Box 13326
Austin, Texas 78711

4. Aragorn, Juno, and Titan must file, in this docket, an affidavit of payment in this docket no later than five calendar days after remitting the payment.
5. The Commission is not constrained in any manner from requiring additional action or penalties for matters that are not resolved by this Order.
6. This Order resolves only the claims identified in this Order related to Aragorn, Juno, and Titan's obligations to comply with the rules identified through Commission Staff's investigation.
7. Entry of this Order does not indicate the Commission's endorsement or approval of any principle or methodology that may underlie the agreement and must not be regarded as precedential as to the appropriateness of any principle or methodology underlying the agreement.
8. All other motions and any other requests for general or specific relief, if not expressly granted, are denied.

Signed at Austin, Texas the _____ day of _____ 2024.

PUBLIC UTILITY COMMISSION OF TEXAS

THOMAS J. GLEESON, CHAIRMAN

JIMMY GLOTFELTY, COMMISSIONER

KATHLEEN JACKSON, COMMISSIONER

COURTNEY K. HJALTMAN, COMMISSIONER