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PROJECT NO. 57236

PROJECT TO DEVELOP
THE TEXAS BACKUP
POWER PACKAGE
PROGRAM

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PUBLIC UTILITY
COMMISSION
OF TEXAS

**COMMENTS OF ONCOR ELECTRIC DELIVERY COMPANY LLC IN RESPONSE TO
COMMISSION STAFF'S MARCH 6, 2025 QUESTIONS FOR COMMENT**

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

COMES NOW Oncor Electric Delivery Company LLC ("Oncor") and files these comments in response to Commission Staff's "Questions for Comment" dated March 6, 2025 in this Project No. 57236. Oncor's comments relate to Topic 2, "Flexibility and Applicability of Technical Specifications," Question B.¹

I. Introduction

Oncor appreciates the opportunity to provide its comments on the questions raised by the Commission Staff in its March 6, 2025 filing. As noted above, Oncor's comments relate solely to Topic 2, "Flexibility and Applicability of Technical Specifications," Question B.² As written, Question B suggests that the Commission is interested in whether the specifications could be revised in a manner that would encourage the "participation from or integration with" existing backup facilities. These comments provide Oncor's view that the Texas Backup Power Package ("TBPP") program should not accept applications from critical facilities that have existing backup generation and the supporting arguments for that view.

**II. The TXBPP Program Should Exclude or Give Lower Priority to
Critical Facilities with Existing Backup Power Generation Facilities.**

In making the determination of whether critical facilities with existing backup power generation should be allowed to participate in the TXBPP program, the Commission will have to consider what the goal of TXBPP program should be. The Public Utility

¹Question B:

Should the specifications vary based on the size, type of critical facility, or other criteria? If so, how and for what reasons? **How can the specifications be refined to encourage participation from or integration with existing backup facilities?** (emphasis added).

² *Id.*

Regulatory Act § 34.0202 states the purpose of the TXBPP program is to “facilitate and provide funding for the design, procurement, installation, and use of Texas backup power packages to ensure the reliability or adequacy of an electric power grid in this state for facilities on which communities rely for health, safety, and well-being.” With that purpose in mind, the question arises of whether the TXBPP program’s primary goal should be to provide the funding for backup power packages to (1) as many critical facilities as possible – whether or not the critical facility has existing backup power generation, or (2) only critical facilities that currently do not have any backup power generation. Oncor addresses this question below.

A. Limiting Participation in the TXBPP Program to New Backup Power Generation Facilities Would Provide Benefits to More Customers.

To specifically respond to the Commission’s question concerning how the specifications can be refined to encourage participation from or integration with existing backup facilities, Oncor disagrees with the assumption underlying the question – that critical facilities that have existing backup power available should be and will be allowed to participate in the TXBPP program. Instead, because of the limited amount of funds available through the TXBPP program, it would be more beneficial to communities and customers to allow the TXBPP program to provide assistance at least initially for the deployment of new backup power generation facilities for those critical facilities that do not currently have access to *any* backup power generation. If that approach is taken, more backup power generation will be available to more communities and customers. Oncor would note that it does not have any pending requests from customers with existing backup power generation who are seeking to operate their existing backup power capability in parallel with the grid.³ Nor has Oncor received any such requests in recent memory.

B. If the TXBPP Program is Under-Subscribed, Customers With Existing Backup Power Generation Can Seek Any Remaining Funds.

If the Commission were to limit TXBPP program participation to new backup power generation only, any critical facility that owns existing backup power generation would

³ Oncor requires an Interconnection Agreement for any backup power generation facility with a closed transition, whereby parallel operation with the grid, of any duration, occurs. Oncor has no insight into how many backup power generation facilities on its system utilize an open transition, whereby no parallel operation with the grid occurs.

always have the option of seeking a good cause exception to the applicable rule adopted by the Commission to govern that TXBPP program.⁴ If the TXBPP program is under-subscribed and there are available funds remaining after the initial phase of the program, customers with existing backup power generation could seek access to those funds at the Commission. In the event the Commission determines that customers with existing backup power generation should be allowed to participate in the TXBPP program, then Oncor respectfully recommends that higher priority should be given to applicants without existing backup power facilities before any funds are awarded to a critical facility with existing backup power generation.

III. The TXBPP Program Technical Specifications/Requirements Must Be Uniformly Applied.

In its Comments filed on February 14, 2025, Oncor suggested that the Commission should clarify that a TXBPP must be co-located with, and connected behind the meter of, the critical facility. If the Commission allows those customers with critical facilities who have existing backup power generation facilities to participate in the TXBPP program, the Commission's technical specifications/requirements for participating in the TXBPP program must be uniformly applied to all critical facilities who participate in the program, regardless of how the existing backup power generation is currently configured and utilized.

As discussed in Oncor's previous comments filed in this Project No. 57236,⁵ from Oncor's perspective, any level of parallel operation by any component of the TBPP facility would require Oncor to review and analyze the TBPP facility prior to interconnection, which could also have implications for the customer.

Oncor respectfully suggests that the Commission adopt a uniform set of requirements for participation in the TXBPP program that must be met by all participants – whether or not they have existing backup power generation.

⁴ 16 Tex. Admin. Code ("TAC") § 22.5(b).

⁵ Comments of Oncor Electric Delivery Company LLC in Response to Commission Staff's January 23, 2025 Questions for Comment, p. 5 (February 14, 2025).

IV. Conclusion

Oncor appreciates the opportunity to present these comments and is available if the Commission or the Commission Staff need any additional information related to these comments.

Respectfully submitted,

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DELIVERY COMPANY LLC**

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EXECUTIVE SUMMARY OF
COMMENTS OF ONCOR ELECTRIC DELIVERY COMPANY LLC IN RESPONSE TO
COMMISSION STAFF'S MARCH 6, 2025 QUESTIONS FOR COMMENT

- Oncor's comments relate to Topic 2, "Flexibility and Applicability of Technical Specifications," Question B:

Should the specifications vary based on the size, type of critical facility, or other criteria? If so, how and for what reasons? **How can the specifications be refined to encourage participation from or integration with existing backup facilities?** (emphasis added).

- Because of the limited amount of funds available through the Texas Backup Power Package ("TBPP") program, it would be more beneficial to communities and customers to allow the TBPP program to provide assistance at least initially for the deployment of new backup power generation facilities for those critical facilities that do not currently have access to *any* backup power generation. If that approach is taken, more backup power generation will be available to more communities and customers.
- If the TBPP program is under-subscribed and there are available funds remaining after the initial phase of the program, customers with existing backup power generation could seek access to those funds at the Commission.
- In the event the Commission determines that customers with existing backup power generation should be allowed to participate in the TBPP program, then Oncor respectfully recommends that higher priority should be given to applicants without existing backup power facilities before any funds are awarded to a critical facility with existing backup power generation.
- From Oncor's perspective, any level of parallel operation by any component of the TBPP facility would require Oncor to review and analyze the TBPP facility prior to interconnection, which could also have implications for the customer.
- Oncor respectfully suggests that the Commission adopt a uniform set of requirements for participation in the TBPP program that must be met by all participants – whether or not they have existing backup power generation.