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ERCOT STANDARD GENERATION § PUBLIC UTILITY COMMISSION OF INTERCONNECTION AGREEMENT § TEXAS

ONCOR ELECTRIC DELIVERY COMPANY LLC'S COMMENTS ON PROPOSED REVISIONS TO ERCOT'S STANDARD GENERATION INTERCONNECTION AGREEMENT

Oncor Electric Delivery Company LLC ("Oncor") timely files the following comments on the proposed revisions to the Electric Reliability Council of Texas ("ERCOT") Standard Generation Interconnection Agreement ("SGIA") on or before July 31, 2025.

I. ONCOR'S COMMENTS

Oncor appreciates the opportunity to comment on the proposed modifications to ERCOT's SGIA and acknowledges the hard work and careful consideration given to the proposed revisions by Commission Staff and ERCOT. Oncor suggests the addition or conforming revision of a few provisions that will further promote safe, reliable and cost effective interconnections in ERCOT.

A. SGIA Article 5

Section 5.4 TIF Voltage Upgrades at the POI

Oncor recommends modification of Exhibit A, Section 5.4 of the SGIA to add a provision requiring generators to upgrade generator interconnection facilities ("GIF") if a transmission service provider ("TSP") performs a transmission system upgrade that increases the voltage at the generator's point of interconnection ("POI"). For example, if a TSP performs a system upgrade that requires its transmission interconnection facilities ("TIF") at a POI to be upgraded from 69 kilovolt ("kV") to 138 kV operation, a generator who receives service from the TIF at that POI should be required to match the voltage of the new, upgraded TIF by upgrading its GIF to 138 kV operation. Adding this requirement to the SGIA will help prevent a potential situation where a generator is unwilling to match the increased voltage of TIF after a transmission system upgrade and that failure to upgrade GIF voltage could cause reliability or safety issues. To cover those rare situations, Oncor requests the addition of the following language in existing Section 5.4:

Equipment Changes and Voltage Upgrades. For facilities not described in Exhibit "C," if either Party makes equipment changes to the Plant, the GIF, the TIF or the TSP System which it knows will affect the operation or performance of the other Party's interconnection facilities, the Parties agree to notify the other Party, in writing, of such changes. Such changes must be made in accordance with ERCOT Requirements and coordinated between the Parties. For TSP transmission network upgrades involving a

change in voltage to the TIF, within a reasonable amount of time of the TSP's written notification of such changes, the Generator must make any GIF voltage upgrades reasonably necessary to safely and reliably accommodate such increased TIF voltage.

Section 5.5 Additional Metering, Telemetry, and Communications Requirements

Oncor recommends two changes to Section 5.5 that will clarify initial and ongoing obligations to provide metering, telemetry, and communication data, including Supervisory Control and Data Acquisition ("SCADA") system data, needed to effectively monitor and control the transmission system. First, Oncor suggests the following modification to Subsection 5.5(E) to clarify that metering, telemetry, and communications equipment acceptance tests are a prerequisite to energization by a TSP:

E. Prior to the connection of the GIF to the TIF, acceptance tests will be performed by the owning Party to ensure the proper functioning of all metering, telemetry and communications equipment associated with the Point of Interconnection and both Parties' interconnection facilities, and to verify the accuracy of data being received by the TSP, the Control Area(s) in which the Plant and the TSP are located, and the Generator. All acceptance tests will be performed consistent with the ERCOT Requirements, and their successful completion is a condition precedent to energization.

Furthermore, Oncor requests modification of Section 5.5 to strengthen the existing requirement that a generator's duty to provide certain telemetry and SCADA data does not evaporate post-energization. Currently, Subsection 5.5(H) requires parties to maintain telemetry equipment and correct errors or malfunctions, but it does not provide an explicit remedy for non-compliance. In rare cases, after initially providing inputs to telemetry equipment and passing the necessary acceptance tests, generators do not maintain the connections necessary for continuous data input. Without the continuous relay of telemetry data from GIF, TSP control systems such as SCADA systems do not have the data necessary to perform effective, real-time monitoring of the transmission system. Oncor recommends the addition of the following underlined language to Subsection 5.5(H) of Exhibit A:

H. Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention or correction by the other Party. The Party owning such equipment must correct such error or malfunction as soon as reasonably feasible in accordance with ERCOT Requirements.

After connection and energization of the GIF and TIF, each Party must maintain the inputs and connections necessary to continuously provide the

telemetry data required by Exhibit "C." If a Party fails to act as soon as reasonably feasible in accordance with ERCOT Requirements, it may be subject to remedies available at law or in equity.

B. SGIA Article 6

Section 6.2 – Control Area Notification Requirement

Oncor recommends the removal of Section 6.2 of the SGIA. Currently, Section 6.2 requires generators to provide advance notice to TSPs of the Control Area in which the generator's facilities will be located. In the event that a generator elects to be in a Control Area other than the TSP's Control Area, Section 6.2 requires execution of certain agreements prior to placement of the generator's facilities. There is no longer an ERCOT process of which Oncor is aware of that allows generators to select the Control Area in which they will be located. Because this provision now appears to be obsolete and moot, it should be removed from the SGIA.

Section 6.10 – Prompt Action in Response to Physical Damage to GIF/TIF

Oncor suggests adding a new provision in SGIA Article 6 to create a mutual obligation of TSPs and generators to promptly respond and remedy the situation in cases where TIF or GIF are physically damaged and impact another Party's nearby facilities. For example, if a generation resource's tie line falls onto and damages TIF and thus creates a safety or reliability risk, or causes outages affecting service to other parties, the generator should have to promptly remedy the situation. The same standard would apply to TSPs owning TIF that cause physical damage to GIF and thus create a safety or reliability issue. Oncor suggests a new SGIA Section 6.10 requiring both generators and TSPs to promptly act in these situations after notification by the other party:

6.10. Prompt Response to Physical Damage. In the event GIF physically damage TIF and the TSP reasonably determines such damage impacts the safety or reliability of the TIF or service to other customers, the TSP shall notify Generator by telephone to a 24-hour contact listed in Exhibit "D" or Exhibit "F", with follow up notice in writing, and the Generator shall act promptly to address such damage. In the event TIF physically damage GIF and the Generator reasonably determines such damage impacts the safety or reliability of the GIF, the Generator shall notify TSP by telephone to a 24-hour contact listed in Exhibit "D" or Exhibit "F", with follow up notice in writing, and the TSP shall act promptly to address such damage.

C. SGIA Article 8

Subsection 8.1(C) – Acknowledgement of Certain TSP Costs

To conform with current practice and TSPs' accounting and tax requirements, the SGIA should add a new Subsection 8.1(C) to acknowledge the scope of costs subject to Generator allowance or financial security cost responsibilities:

C. In calculating the costs the TSP has incurred (or committed to be incurred) and for which Generator may be responsible, such costs shall include: (1) the normal loadings TSP applies to construction projects of this nature; and (2) to the extent applicable, an adder to cover the effects of a Generator payment on the TSP's federal income tax liability, as calculated by the TSP to the extent it determines such Generator payment is taxable income to the TSP in accordance with its standard practices.

D. SGIA Article 9

Subsection 9.1(J) Senior Long-Term Debt and Investment Grade Ratings

The reference to "senior secured debt" in the fourth sentence of Subsection 9.1(J) should be replaced with "senior long-term debt" to make it consistent with the same term used in the second sentence of Subsection 9.1(J). Senior secured debt often focuses on specific securities or obligations in certain liquidation scenarios, whereas senior long-term debt is often based on an entity's unsecured debt. Thus, credit ratings of senior long-term debt better reflect the unsecured nature of the self-insurance to which this provision refers.

Moreover, because this section proposes to add a third credit rating agency into the analysis, Oncor recommends adding a requirement that the Party may only self-insure to the extent it retains an investment grade rating from at least two out of the three ratings agencies listed. Such a requirement would avoid the potential for anomalous results emanating from just one of the agencies.

E. SGIA Article 10

Section 10.17 Assignment

In the two instances where the Proposal for Publication seeks to insert the phrase "applicable cost responsibilities specified under Section 8," Oncor suggests the following conforming revisions to capture the full scope of obligations imposed under Article 8: "applicable cost or financial security responsibilities specified under Section Article 8."

F. Other Minor or Non-Substantive Revisions

- SGIA Section 4.1(B)(i)(1) Remove an extraneous comma after the first word "At".
- SGIA Section 10.4, Exhibit "D", and Exhibit "F" Remove fax as a means of notice, unless the parties mutually agree otherwise.

II. CONCLUSION

Oncor appreciates the opportunity to provide comments on the proposed modifications to ERCOT's SGIA form and looks forward to implementing these revisions in the near future.

Respectfully submitted,

By: /s/ Winston P. Skinner

Jaren A. Taylor State Bar No. 24059069 VINSON & ELKINS LLP 2001 Ross Avenue, Suite 3900 Dallas, Texas 75201 Telephone: (214) 220-7754 jarentaylor@velaw.com

Winston P. Skinner State Bar No. 24079348 VINSON & ELKINS LLP 200 W. 6th Street, Suite 2500 Austin, Texas 78701 Telephone: (512) 542-8427 wskinner@yelaw.com

ATTORNEYS FOR ONCOR ELECTRIC DELIVERY COMPANY LLC