



Control Number: 50333



Item Number: 52

Addendum StartPage: 0

DOCKET NO. 50333

**COMMISSION STAFF'S PETITION TO
SET 2020 WHOLESALE
TRANSMISSION SERVICE CHARGES
FOR THE ELECTRIC RELIABILITY
COUNCIL OF TEXAS**

§
§
§
§
§

**PUBLIC UTILITY COMMISSION
OF TEXAS**

ORDER

This Order addresses the Electric Reliability Council of Texas, Inc.'s (ERCOT's) wholesale transmission service charges to be applied in calendar year 2020. The Commission adopts the 2020 matrix for use by each transmission service provider (TSP) in calculating the transmission charges for transmission customers in the Electric Reliability Council of Texas region (ERCOT region).

I. Background

The wholesale transmission charges for each TSP in the ERCOT region are required to be updated annually based on the prior year's average of the four-coincident peak (4CP) demand that is coincident with the ERCOT 4CP in accordance with 16 Texas Administrative Code (TAC) § 25.192(b).

On December 10, 2019, Commission Staff filed a petition to set the wholesale transmission service charges for ERCOT for 2020. On December 11, 2019, ERCOT filed its 2019 4CP load calculation in the ERCOT region as required by 16 TAC § 25.192. On January 29, 2020, ERCOT filed the revised 2019 4CP load calculation in the ERCOT region. Using that data, together with data presented by other parties to this proceeding, Commission Staff filed a draft transmission charge matrix on February 11, 2020, and a final transmission charge matrix on March 10, 2020.

II. Findings of Fact

The Commission makes the following findings of fact.

Petition

1. On December 10, 2019, Commission Staff filed a petition to establish the transmission service charges to be applied in calendar year 2020 in the ERCOT region.

ERCOT Reports

2. On December 11, 2019, ERCOT filed its Report on the 2019 “4CP” Coincident Peak Load in the ERCOT Region.
3. On January 29, 2020, ERCOT filed its Revised Report on the 2019 “4CP” Coincident Peak Load in the ERCOT Region.

Notice

4. On December 10, 2019, Commission Staff certified that a copy of the petition was served on ERCOT, and wholesale transmission service providers and customers in ERCOT, using the same service list as was used in Docket No. 48928.¹

Intervenors

5. The following entities filed for and were granted intervenor status in this proceeding: Texas-New Mexico Power Company, Electric Transmission Texas, LLC, Fayette Electric Cooperative, Inc., Floresville Electric Light and Power System, City of Robstown Utility Systems, Greenville Electric Utility System, Wind Energy Transmission Texas, LLC, Oncor Electric Delivery Company LLC, LCRA Transmission Services Corporation, AEP Texas Inc., Lone Star Transmission, LLC, CenterPoint Energy Houston Electric, LLC, Brazos Electric Power Cooperative, Inc., Rayburn Country Electric Cooperative, Inc., Bryan Texas Utilities, Golden Spread Electric Cooperative, Inc., Lamar County Electric Cooperative Association, Bandera Electric Cooperative, Inc., City of Garland, Texas Municipal Power Agency, City of Weatherford, CPS Energy, Guadalupe Valley Electric Cooperative, Inc., East Texas Cooperatives,² City of Austin dba Austin Energy, South Texas Electric Cooperative, Inc., Public Utilities Board of the City of Brownville, and Kerrville Public Utility Board. ERCOT also participated in this proceeding.

¹ *Commission Staff's Petition to Set 2019 Wholesale Transmission Service Charges for the Electric Reliability Council of Texas*, Docket No. 48928, Order (Apr. 4, 2019).

² Cherokee County Electric Cooperative Association, Deep East Texas Electric Cooperative, Inc., Houston County Electric Cooperative, Inc., Jasper-Newton Electric Cooperative, Inc., Rusk County Electric Cooperative, Inc., Sam Houston Electric Cooperative, Inc., Wood County Electric Cooperative, Inc., and East Texas Electric Cooperative, Inc. (collectively, East Texas Cooperatives).

Objections, Modifications, Changes, or Clarifications to Load Aggregations

6. On January 6, 2020, Oncor and AEP Texas filed a joint request to modify their ERCOT load data to reflect the transfer of customers and loads from Oncor to AEP Texas's central division as a result of Docket No. 49402.³
7. On January 10, 2020, Rayburn Country filed a request to modify its ERCOT load data to reflect the load transferred into the ERCOT system from its member cooperative, Trinity Valley Electric Cooperative, Inc.⁴ as well as clarify that the load aggregation not be changed, rather, the transfer load should be added with an associated transmission distribution service provider (TDSP) designation that is already included in Rayburn Country's load aggregation.
8. On January 10, 2020, Golden Spread filed a notice of change to its load aggregation to reflect the addition of three member cooperatives and associated TDSP designations: Lyntegar Electric Cooperative, Inc., Southwest Texas Electric Cooperative, Inc., and Taylor Electric Cooperative, Inc.
9. On January 17, 2020, Lamar County filed an objection and request to correct its 4CP load data related to its TDSP and associated Brookston substation. The correction addresses a meter error at the substation, which caused the load data for that meter to be reported at approximately double the actual load.

Draft Matrix and Final Matrix

10. On February 11, 2020, Commission Staff filed the draft transmission charge matrix with certain Commission-approved transmission rates as of February 11, 2020. The draft transmission charge matrix incorporated the modifications requested by Oncor, AEP Texas, Rayburn Country, Golden Spread, and Lamar County, discussed above.
11. On February 18, 2020, AEP Texas filed a request for certain modifications to its load aggregations in Commission Staff's draft transmission charge matrix, subject to the

³ *Joint Report and Application of AEP Texas Inc. and Oncor Electric Delivery Company LLC for Approval of Transfer of Facilities, Transfer of Rights Under and Amendment of Certificates of Convenience and Necessity, and for Other Approvals*, Docket No. 49402, Order (Nov. 21, 2019).

⁴ *Project to Monitor Rayburn Integration to ERCOT*, Project No. 49051, Joint Notice Regarding Completion of Rayburn's ERCOT Integration (Jan. 28, 2020).

Commission's approval of Docket No. 49494.⁵ AEP Texas proposed that ERCOT's Revised 4CP Report and the Commission draft transmission charge matrix reflect a single line item of combined 4CP load data for AEP Texas's central and north divisions.

12. On February 25, 2020, the City of Robstown filed a notification of a change in its billing agent.
13. On March 10, 2020, Commission Staff filed the final transmission charge matrix with certain Commission-approved transmission rates as of March 10, 2020. The final transmission charge matrix incorporates the modification requested by AEP Texas, discussed above.
14. On April 6, 2020, Commission Staff filed a joint proposed order on behalf of all parties.

Informal Disposition

15. More than 15 days have passed since the completion of notice provided in this docket.
16. No party requested a hearing and no hearing is necessary.
17. This decision is not adverse to any party.

III. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority over this application in accordance with the Public Utility Regulatory Act (PURA),⁶ chapter 35, subchapter A.
2. Under 16 TAC § 25.192(d), ERCOT is required to file the current year's 4CP demand for each distribution service provider (DSP) by December 1, which is used to establish the transmission service charges for the following year.
3. Notice of this application was provided in compliance with 16 TAC §§ 22.54 and 22.55.
4. The definition of electric utility in PURA § 35.001 includes municipally owned utilities and electric cooperatives.

⁵ *Application of AEP Texas Inc. for Authority to Change Rates*, Docket No. 49494, Order (Apr. 6, 2020).

⁶ Public Utility Regulatory Act, Tex. Util. Code §§ 11.001–66.016.

5. Under 16 TAC § 25.191, utilities owning transmission facilities are required to provide open-access transmission service. A pricing mechanism for utilities in the ERCOT region is established by procedures set out in 16 TAC § 25.192.
6. The transmission charges and 4CP data shown in the final transmission charge matrix (2020 matrix) are in accordance with PURA and the TSPs' wholesale transmission service tariffs as of the 2020 matrix filing date.
7. The billing authority of a TSP to charge a DSP for wholesale transmission service is in accordance with a Commission order that establishes a wholesale transmission rate for the TSP and the resulting Commission-approved tariff.
8. This case is not a major rate proceeding as defined by 16 TAC § 22.2(27).
9. The requirements for informal disposition in 16 TAC § 22.35 have been met in this proceeding.

IV. Ordering Paragraphs

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

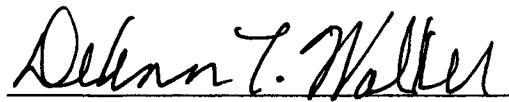
1. The Commission adopts the 2020 matrix, included as attachments A through D to Commission Staff's March 10, 2020, final transmission charge matrix, for use by the TSPs in calculating the transmission charges for transmission customers in the ERCOT region.
2. The 2020 matrix must not be relied upon in the determination of annual billing amounts DSPs remit to TSPs. The 2020 matrix must be used to calculate the net monthly billing amounts as of March 10, 2020, the date of the last Commission-approved transmission rate reflected in the 2020 matrix filed on March 10, 2020. For the time period in 2020 before the approval date of this 2020 matrix, TSPs have been required to charge, on an interim basis, the billing amounts from the 2019 matrix plus any incremental amounts resulting from rate changes effective after approval of the 2019 matrix. Beginning with this approval of the 2020 matrix, TSPs must charge, in their entirety, the new Commission-approved billing amounts calculated using the 2020 matrix and any incremental amounts resulting from rate changes not included in the 2020 matrix or effective after approval of the 2020 matrix. In addition, after approval of the 2020 matrix, surcharges or refunds must be

charged by TSPs for the time periods in 2020 that were charged using interim charges, in accordance with the Commission's Order from last year's matrix docket, Docket No. 48928. The surcharges or refunds must reflect the rates that were in effect during the time period in which the refunds or surcharges accrued and the 4CP load data used to calculate the 2020 matrix.

3. In the event that the Commission does not establish the transmission charges for 2021 before January 1, 2021, DSPs must continue paying the monthly billing amounts based on the 2020 matrix and any incremental amounts resulting from rate changes effective after approval of the 2020 matrix. However, the interim charges for 2021 are subject to possible modification in a future docketed proceeding to address Commission Staff's petition to approve 2021 wholesale transmission service charges for ERCOT. If a TSP's transmission service rate is changed by the Commission and becomes effective after the filing date of the 2020 matrix, March 10, 2020, the new transmission service rate will be reflected in the final transmission charge matrix set for 2021. Until the final transmission charge matrix is approved in the 2021 proceeding, the TSP must separately charge a DSP the difference between the 2020 matrix charge approved herein and the charge calculated using the interim or final tariffed rate established in the TSP's most recent separate transmission service rate case or update to wholesale transmission rate proceeding. Payments made in 2021 in accordance with this Order will be subject to refund or surcharge if the final charges adopted by the Commission for 2021 are different than the charges approved in this Order.
4. This Order does not affect the validity or continuing application of an order or rate schedule approved by the Federal Energy Regulatory Commission that provides for transmission service on different terms.
5. The Commission denies all other motions and any other requests for general or specific relief that have not been expressly granted.

Signed at Austin, Texas the 1st day of May 2020.


PUBLIC UTILITY COMMISSION OF TEXAS



DEANN T. WALKER, CHAIRMAN



ARTHUR C. D'ANDREA, COMMISSIONER



SHELLY BOTKIN, COMMISSIONER

