

# TEXAS ELECTRIC MARKET REPORTER

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### TEXAS SPOTLIGHT

#### **Texas PUC May Continue Bids Caps (24770)**

By Kelso King and John Laakso

Due in part to recent price spikes in the ERCOT market, the Texas PUC is considering elimination of the expiration dates for the current \$1,000/MWh bid caps for balancing energy and ancillary services. Commissioners discussed a PUCT staff memo recommending elimination of the July 4, 2003, expiration date for the \$1,000 per megawatt-hour bid/offer caps for balancing energy and not placing a termination date on the other bid caps that have been approved on an interim basis. Staff believes it is necessary to continue the bid caps. Chairman Klein was interested in looking at mitigation measures for "hockey stick" bidding and the modified Competitive Solution Method (CSM) proposal. Considering the February price spikes, her initial inclination was to request quick-turnaround comments from parties on bid caps and Staff's modified CSM proposal. She suggested that parties comment about why CSM would not

be an effective remedy and what other alternatives are available. Staff will investigate New Zealand's experience, which had led to "boomerang" bidding.

Since the modified CSM addresses hockey stick bidding for balancing energy but not ancillary services, staff proposed applying the original CSM to the ancillary services capacity market and applying a modified CSM only to balancing energy. The Market Oversight Division (MOD) is proposing a subset of the original CSM, which looked for a pivotal bidder, as well as bid sufficiency. The modified CSM would only be triggered when ERCOT deploys all eligible balancing energy offers. It would not require identifying pivotal builders or calculating a market clearing price (MCP) limit. These are the two features of a full CSM that complicate its application to the balancing energy markets. Chairman Klein would like to find a solution that would address both markets but added that the New York proposal (containing automatic mitigation procedures) involved too much "command-and-control." The PUCT will issue an order requesting parties to comment on both of the Staff's proposals by April 3 in time for discussion at the Decision Meeting on April 17.

ERCOT reported that MOD filed its original CSM in late-2002 and, in the interim, Protocol Revision Request (PRR) 342 (simultaneous procurement of ancillary services) was approved. As a result, ERCOT had asked MOD whether it wanted to revise the language for CSM to be applicable to simultaneous procurement, in order to avoid spending time on something that would change. ERCOT suggested that it had, effectively, been asked to do both but hoped that by the end of the first week of April 2003, ERCOT would have an estimate of the time and cost for CSM for simultaneous procurement. In response to a question, ERCOT reported that simultaneous procurement would be implemented as part of the release for early next year, contingent on the new information technology protocols and development schedule that have been put in place over the last few months.

### **Legislators Hear Spirited Debate on Fair Access to Information**

By John Laakso

At its regular hearing on March 18, the House Regulated Industries Committee heard a heated debate on what constitutes fair access to information used to develop basic utility regulation at the Public Utility Commission of Texas (PUCT). The specific issue is the type of access that the Office of Public Utility Counsel (OPUC) should have to information used by the PUCT to regulate the electric and telecommunications industries. In a price-regulated world, much of the information needed to evaluate whether rates are reasonable was already a matter of public record or not confidential under the law. However, in regulating the two restructured industries, the relevant issues focus on behavior by various market participants and competitors. That information is often confidential and needs to be protected from unnecessary and accidental disclosure. However, all parties testified that there have been no problems with the way that the OPUC has handled confidential information in contested cases and OPUC has not had unusual problems accessing information in contested cases. In addition to restructuring the two industries and a shift towards evaluating market behavior and its impact on consumer prices, the PUCT has also moved towards resolving problems and setting policy through projects that are not subject to contested case procedures. It has been a point of contention that in this changed environment, OPUC has not been able to obtain the information it needs to best protect

residential and small commercial customers. To address this issue, Representative Sylvester Turner introduced a bill to give OPUC access to information it claims it needs. (HB 1974) Of course, testifying parties had very different views on the need for a change in the law.

In introducing his bill Representative Turner stated that the changed circumstances meant that the PUCT was exercising “more discretion in what it is making available” to OPUC. Under current law, OPUC is entitled to the same access to PUCT records as any other party. The change in the bill would simply entitle OPUC to all PUCT records—whether used in a contested case or not.

Many of the speakers opposing the bill argued that it would be unfair to other parties appearing before the PUCT who also were required to provide information to the PUCT. They also made the point that while the PUCT is a regulatory authority with broad authority, the OPUC was a statutorily created advocate representing a particular interest in administrative and court proceedings. According to a spokesperson for the Association of Electric Companies of Texas (AECT), this amendment is too broadly written and “confuses the role of regulator with the role of advocate.” A spokesperson for Verizon Southwest also argued that all parties should have the same access to information. In speaking as a resource witness, the PUCT representative stated that every effort is made to provide OPUC with information so long as it was consistent with the law. In his view, the bill as drafted was overbroad and could possibly reach records that were not relevant to OPUC’s statutory duties. Many other witnesses registered their opposition to the bill, but did not speak.

In explaining the root source of the problem for OPUC, Public Utility Counsel Suzi McClellan said the change is needed to “enable us to our job.” She stated that more policy decisions are being made in the context of various PUCT projects and other “amorphous proceedings”. She gave several examples of how this had made it difficult for OPUC to accomplish its statutory mandate of assessing the effect of regulatory actions on residential customers. When OPUC had intervened in the New Power bankruptcy proceeding to protect residential customers, it was unable to obtain needed customer information from the PUCT and nearly missed a deadline to protect those customers with an interest in the bankruptcy proceeding. She also cited a case where the PUCT had asked OPUC to join in a case settlement without being allowed to review the underlying documents. Representatives joined in the debate with pointed questions and interest in the issue. Representative Turner agreed that there were issues of over broadness, but believed that language could be developed to address those concerns. In the end, he told the parties in opposition, “This medicine is good for you, so just swallow it and smile.” Many parties smiled at this, but did not swallow the medicine. The bill was left pending in committee.

### **Fallout from “Perfect Storm” May Have Subsided (26793)**

By Kelso King and John Laakso

In the context of a lengthy discussion on retail market oversight issues at its March 21 Decision Meeting, it was noted that the Electric Reliability Council of Texas (ERCOT) was not expecting further fallout from the winter weather that precipitated price spikes and a bankruptcy filing by one of the ERCOT market participants. The issues discussed related to the status of Texas Commercial Energy and other retail electric providers (REP), disconnections, reconnections,

outdoor lighting, and how well the provider of last resort (POLR) service worked in this situation.

During discussion on how well the POLR rule worked in this case of a financially stressed REP, an ERCOT representative commented on the status of whether other market participants might have trouble meeting their settlement obligations. One Commissioner commented that what happened with Texas Commercial Energy (TCE) customers might show that the POLR is not what it needs to be. However, the other Commissioners were reluctant to change the rules because of the need for regulatory stability in the market. It was hoped this situation would occur infrequently. As to whether the recent weather driven price spikes had affected other market participants as much as TCE was impacted, ERCOT reported that bills to wholesale customers for the period in which the price spikes occurred were going out that day, March 21, and ERCOT did not think there were problems with any entities other than TCE and all of the entities affected by the price spikes have met their collateral requirements.

Staff reported on the status of Texas Commercial Energy, the REP that filed for bankruptcy on March 6. The report focused on power purchases and additional credit collateral requirements associated with operating in ERCOT. An arrangement had been negotiated in which: 1) 80 percent of TCE's load was to have been transferred to other REPs by March 13; 2) TCE would rely on the balancing energy market for no more than 10 percent of its remaining load, and 3) TCE would be required to meet additional collateral requirements for its ongoing operations. There is not a well-defined process to perform an immediate mass transfer of customers to the POLR if either TCE or any other REP in financial difficulties needed to do so. Thus, the transition in this case resulted in considerable confusion to both other REPs and customers. In contrast, Price to Beat customers were being transferred to the affiliated REP with great success. Further, there was no well-defined process for moving customers off of POLR service once a customer was able to make other arrangements. Of the 83 ESI-IDs that were transferred to POLR by TCE, 60 had made arrangements with another REP. All but a few of the move-in transactions to get the customers to the POLR have been completed and subsequent move-ins should no longer be rejected. Staff also noted that there was some confusion concerning which customers were transferred to the affiliated REP and which went to the POLR. As for whether there would be a formalization of this process, the ERCOT retail market subcommittee (RMS) will deal with: 1) the mass transfer of customers from one REP to another, 2) the transfer to POLR, and 3) developing a process to get customers off of POLR service. This is the second instance, the first being New Power, in which there has been a need for a mass transfer of customers and this process needs to be improved. Commissioners complimented stakeholders for doing a great job in a short period of time, but were concerned about giving large customers adequate notice of their transfer to POLR. Currently, preventing a customer from being "held hostage" to a term on POLR might conflict with ERCOT's current protocols. ERCOT is trying to avoid exceptions that would circumvent its protocols. Staff reported that an affiliate of the POLR had been telling customers that by signing a contract with them they could avoid being charged the POLR rate. Staff informed this REP that the POLR rate is non-discountable and noted that the problem seems to have been resolved. However, there was a great deal of confusion concerning the ability of customers to leave POLR service, including an assertion that the POLR-affiliated REP would be able to get them off POLR service faster than another REP. Staff is continuing to look into this issue.

Regarding disconnection, Commissioners want to make sure that “critical care customers” don't get disconnected now that disconnections are being resumed and ensure there is an adequate safety net. PUCT staff will look into this issue and also discuss the concern with ERCOT to make sure that these customers are properly identified. With regard to ongoing work related to disconnections, Staff has been discussing problems with REPs affiliated with AEP and Mutual Energy. Tariffs have different provisions concerning fees and requirements for reconnections--some tariffs have time requirements while others do not. Commissioners want REPs and transmission and distribution utilities (TDUs) to work out the logistics, but to make sure that the tariffs comply with the rules, which may need to be tightened. Although a Customer Protection rule is currently open concerning competitive metering, Staff was not aware of all the changes that need to be made regarding reconnections. Finally, Centrica noted it did not agree with Staff's understanding of the problem related to timely reconnections.

Centrica also discussed outdoor lighting service and noted that half of the problem is getting resolved but some outdoor lighting facilities are being billed even if the lighting facilities are not operational. They are billed on the basis of assumed usage whether or not they are operational. It was noted that there is no time requirement for repair of these facilities. Staff was directed to work with utilities to fix this problem.

### **ERCOT Wholesale Market Design Still Being Discussed (26376)**

By Kelso King and John Laakso

Commissioners discussed the ERCOT wholesale market subcommittee's (WMS) proposal concerning a Texas nodal model. PUCT Staff had suggested in a memo that the PUCT must make the core decisions on implementing unit-specific bid curves and nodal pricing to provide greater certainty for ERCOT market participants. Staff believes that the WMS approach of detailing a Texas Nodal before resolving these issues would lead to uncertainty and lack of stakeholder commitment. Staff noted that the key issue to resolve is whether ERCOT should abandon portfolio bidding and institute unit-specific bid curves and nodal pricing. Staff also suggested that market participants be given reassurance of continuing the best elements of the current market, for example, bilateral contracting as the core of the wholesale market. Staff noted that it would be possible to maintain a reasonable timetable and implement Texas nodal by March 1, 2006. Finally, Staff recommended eliminating DEC payments in order to reduce the uplift of congestion costs.

Commissioner Perlman filed a memo suggesting that the main objectives of wholesale market design should be to: 1) improve operational dispatch, 2) minimize uplift of local congestion costs, and 3) evolve the market design to leverage ERCOT's system investment. He requested that WMS provide a prioritization of “no regrets” items and feedback on the technical feasibility of: 1) implementing simultaneous market clearing (SMC), 2) creating additional zones and TCRs, and 3) posting indicative nodal prices. Commissioner Perlman stated that he does not have enough technical information to approve a rulemaking at this time. A representative of the WMS reported that they have not had time to dig into the no regrets items. With regard to the technical feasibility of interim solutions, Commissioner Perlman inquired whether or not these would minimize uplift costs and why. In order to protect the market, Commissioner Parsley

suggested having any changes in market design in place prior to the elimination of the Price to Beat. As for the strawman, she was concerned about the cost, efficiency gains, and changes that would be required. She discussed the possibility of creating separate retail zones, such as the four existing zones, that could be settled zonally as well as 150 resource zones (to represent individual plants) that could submit portfolio bids, which would be settled nodally based on the current system. She did not know whether the current ERCOT software could handle this but thought it could be significantly cheaper than scrapping the current system. Chairman Klein stated that it critical for the PUCT to provide its principles and fundamentals so market participants can provide a proposal concerning what a Texas nodal system might look like.

The PUCT's Market Oversight Division (MOD) Staff agreed with much of a proposal that was submitted by LCRA concerning the ZEN Approach to Electricity Market Design since 80 to 85 percent of MOD's expectations would be met by this proposal. Staff would still like to see how issues related to the uplift of local congestion cost could be addressed. MOD had proposed its strawman to identify and address core issues and help the stakeholders know the parameters for developing the new rules. This would give them flexibility to develop the rules in conjunction with Staff.

Commissioner Perlman asked if there are intermediate steps that would avoid eliminating the current system. Chairman Klein wants the PUCT to decide on a direction to give market participants, such as those in a proposed strawman. Operating efficiencies can only improve so much without addressing unit-specific bid curves, which ultimately requires addressing nodal pricing for resources. Commissioner Perlman stated that it is important to consider a cost/benefit study prior to abandoning the current system and believes the existing design can be evolved within the proposed timeframe.

MOD Staff felt that there are a few major problems with the WMS proposal, one of which is an 8 to 13 month delay just to develop a strawman. Second, the decision regarding the nodal model would be delayed until August 2004. Third, if a strawman proposed in June 2004 does not resolve the core issues, what happens then. Finally, the WMS proposal allows only a few months between August and December 2004 to develop protocols. Consequently, MOD Staff thought the current proposal could not meet an early 2006 deadline. MOD added that the existing system could be maintained if a method to minimize the uplift of local congestion costs could be identified. Staff proposed adding a question asking whether parties believe the current system could be modified to meet the PUCT's stated objectives. Commissioners decided to circulate the proposal as a strawman rather than publish it as a rule. Staff will circulate the proposed strawman by March 26.

In response to questions, Staff noted that a zone could be a node or many nodes, including the current four, or more. Staff also clarified that the March 1, 2006 effective date meant implementation and full operation by that date. Chairman Klein wanted to make sure that REP concerns are met and that the REPs are participatory. The REPs believe they need at least three years notice of a change in the market design. Chairman Klein asked if it would be useful to have another workshop to focus on REP concerns and wants to find out what the process has been like in other areas with regard to REP experiences. Staff will discuss this with the Retail Market Subcommittee (RMS). Although ERCOT is working on it, Chairman Klein was glad that

the day-ahead market is not included in the strawman. She asked what forum will address whether it is beneficial to implement the day-ahead market before moving to a Texas nodal design. The WMS is still considering "OOME Down" costs and Category 4 costs.

### **Cottonwood Energy Nearing Completion**

By John Laakso

According to a company spokesperson, testing is being performed at the Cottonwood Energy Project and has a projected substantial completion date of June 2003. However, testing will continue until the facility is ready for commercial operation at some time after the substantial completion date. The facility located near Deweyville, Texas in the Texas portion of the South East Reliability Council (Texas SERC), is interconnected to the Entergy Gulf States transmission grid through Entergy's Hartburg substation. The transmission upgrades were finished by the end of 2001 at a final cost of \$502,193. The Cottonwood facility will be the fifth plant completed in Texas SERC since 1995. The 1,233- megawatt natural gas-fired, combined-cycle facility consists of four General Electric combustion turbine generators, four Foster Wheeler heat recovery steam generators, and four Alstom steam turbines. Cottonwood uses an InterGen standard plant design that aligns combustion turbines, dedicated waste heat boilers, and steam turbine generators. This configuration allows economies of scale in purchasing, standardization of construction procedures, and improves reliability and operational flexibility. According to a report by Industrial Information Resources, the cost of the facility has been estimated to be approximately \$720 million. Two natural gas pipelines, the Texas Eastern and Channel Industries pipelines, pass through the project site and will deliver natural gas to the plant. The Cottonwood facility is the first Greenfield power project developed by InterGen in the United States. "Cottonwood represents an important step forward in our strategic plan to apply our international development expertise to the important U.S market," said Carlos Riva, President and CEO of InterGen.

The Cottonwood Energy Company Limited Partnership will own and operate the plant and was created specifically for the Cottonwood project. However, InterGen North America of Burlington, Massachusetts is the ultimate owner and itself is a joint venture of Shell and Bechtel Enterprises. Shell and Bechtel announced the creation of InterGen North America four years ago with a goal of developing large-scale independent power projects and co-generation facilities in the United States and Canada. Carlos Riva, president and CEO of InterGen, was the original CEO of the new venture. Shell whose interest in InterGen North America is owned by subsidiaries of Shell Petroleum, has been building a downstream natural gas and power business in the U.S. and Canada. InterGen North America is affiliated with InterGen, a global developer of power generation. InterGen operates or is building 21 power stations worldwide with 16,770 megawatts (MW) of capacity. In addition to its United States operations, InterGen has projects in the United Kingdom, Philippines, Colombia, Mexico, China, Egypt, Turkey, Brazil, Australia, Netherlands, Spain, and Singapore. Bechtel Power, a global engineering-construction company located in San Francisco, was the turnkey contractor for the Cottonwood plant. Coral Energy, a large North American energy and financial services company and partly owned by InterGen, will supply energy management services to the project. InterGen announced the financial arrangements for the Cottonwood Energy project on the day that groundbreaking began on the facility, February 2, 2001. InterGen used non-recourse commercial bank senior debt financing

for the construction and operation of the Cottonwood Project. Deutsche Bank and BNP Paribas were the joint lead arrangers under the project's Credit Agreement.

The project is expected to impact the area's economy positively, with about 25 permanent, full-time operational jobs. The project had been expected to generate as many as 500 to 750 peak construction period jobs. It was also anticipated that construction and the first year of operation would increase the Newton County property tax base by over 60 percent. Also of interest, sustainable design practices are being used to construct Cottonwood's administration building. Certified under the U.S. Green Building Council's Leadership in Energy and Environmental Design program, the building design was to use recycled materials, natural light, and other building applications to minimize environmental impacts, ensure efficiency, and promote employee health and comfort.

### **CPL Rate Case Finally Final (25451)**

By John Laakso and Kelso King

In 1995, Central Power and Light Company (CPL) applied for a rate increase. On March 31, 1997, the PUCT issued an order that found that electric generation had entered an era of declining costs. Consequently, the PUCT, as a substitute for competition, needed to develop and implement new policies to protect the public interest in a "non-competitive marketplace" and prepare for a more competitive electric industry in the future. To accomplish that policy objective, the PUCT instituted a rate "glide path" that automatically adjusted rates downward in following years without further rate proceedings. In addition, invested capital was adjusted to reflect the emerging competition in which invested capital that was excess to market value (ECOM) would not be recovered without a specific mandate to recover those costs. There were several motions for rehearing and a final appealable order was not entered until November 1997. Several parties appealed the order, and the courts affirmed in part and remanded in part. The current docket is the remand of the original 1995 case. Parties eventually settled the remanded case and requested that the PUCT take no action other than to ensure that the rates established in the original order remain in effect. Chairman Klein noted that the agreement in the remand proceeding did not require any finding concerning the order in the 1995 proceeding because there is no longer any matter in controversy. With minor modifications, the PUCT declared the case moot and dismissed it, requiring no further action. The order was approved consistent with the Commissioners' discussion. Thus, the case that some credit with precipitating the legislative electric restructuring initiative resulting in Senate Bill 7 in 1999 has come to a close.

### **PUCT Accepts ERCOT's Balancing Energy Restrictions (23100)**

By Kelso King and John Laakso

In response to a letter concerning the Electric Reliability Council of Texas (ERCOT) Board's recent limitation on balancing energy purchases, the Texas PUC did not modify the Board's action but did warn ERCOT to avoid such unnoticed procedures in the future. On March 18, ERCOT notified market participants by email that it had adopted a resolution on scheduling load obligations. The resolution stated, "Effective for schedules submitted for the operating day of Friday March 21st, 2003, each QSE shall schedule at least 90 percent of its load obligation, on a

daily average, with bilaterally contracted or self-provided energy and not by relying upon Balancing Energy from ERCOT until further notice.”

On March 20, the Alliance for Retail Markets (ARM) filed its letter with the PUCT expressing concern that the ERCOT Board resolution was unreasonably vague and was implemented without sufficient notice to the market. In addition, ARM stated that the adopted resolution contravened specific procedures for changing the ERCOT Protocols and also violated PUCT rules. While ARM recommended that ERCOT credit requirements be re-evaluated in light of recent events, the letter stated that the Board was “inappropriately attempting to solve the credit issue with an operational solution.” ARM stated that an essential element of any viable market is predictability and that the Board’s action failed to provide the market with sufficient advance notice of a change in the relaxed balance schedule rules. Under its rules, ERCOT is allowed to limit the use of relaxed balance schedules only in situations that adversely affect reliability.

Commissioners and Staff discussed the letter from ARM. Chairman Klein stated that greater reliance on the balancing energy market would require greater collateral. She believed that the ERCOT decision might be a viable compromise to address the credit problem in the short-term. However, she wants the suspension removed within several weeks. As for the way this was brought before the ERCOT Board, she had a problem with not posting notice prior to taking action. Although this was an abnormal situation, She warned this process should never happen again. In response, ERCOT said that this is not just a credit problem but that ERCOT provides balancing energy service, which is expensive and is not intended to compete with bilateral contracts. ERCOT must develop a way for its Board to be able to address these types of situations on short notice.

### **Entergy’s Interim Solution Denied (27273 & 25089)**

By Kelso King and John Laakso

Entergy’s Proposal for Interim Solution for Retail Open Access and the Market Protocols for the Texas portions of the Southeastern Reliability Council were considered. Although a January 2004 timeframe is not realistic, the Texas PUC still needs to verify independence, conduct a market readiness evaluation, and complete its review of the market protocols. The Commissioners chose to proceed with activities in accordance with timeframes that were identified at the meeting. Chairman Klein wanted an interim solution by January 2004 but does not believe that this timeframe is realistic. However, the proposed schedules helped her identify what needs to be done. There is a need to agree on a timeframe and sequence of activities for reaching an interim solution, especially concerning the protocols. The PUCT still needs to conduct a market readiness docket and other retail marketing issues that still need to be addressed. The PUCT must also complete its review and approval of the market protocols, which are currently scheduled for a hearing on May 1 and an interim decision by the PUCT on May 9. There is also a requirement to get Federal Energy Regulatory Commission approval, which could occur around the third quarter of 2003. Commissioners agreed to begin the market readiness proceeding in late-2003, rather than the third quarter of 2004. They discussed differences in unbundling (legal vs. functional) and the implications of unbundling occurring after the opening of the retail market. Commissioner Parsley suggested that the critical date for the PUCT is the 3rd Quarter of 2003, when the PUCT goes through the independence exercise.

Market protocols are currently under way and a procedural schedule is in place. To certify the independent organization to meet this time line, the Commissioners would have to hold any necessary hearings and Entergy would have to file a plan of independence, which would be deferred until after the Protocols have been before the PUCT on May 9. To meet the timeline for market readiness, Entergy would have to make a filing at the appropriate time, presumably in November 2003. Finally, with regard to the jurisdictional separation that may be the subject of some abated proceedings, the PUCT would either “kickstart” those or examine certain parts of the jurisdictional separation in an independent examination by the Commissioners. Commissioners agreed.

In a related issue, Commissioners inquired about a memo of understanding between Entergy and the City of Beaumont concerning franchise tax payments. This issue has been ongoing since mid-2002, and involves the calculation of franchise payments. A change in the method of calculating franchise tax payments occurred on January 1, 2002, and was implemented regardless of a delay in the implementation of retail open access of up to two years. Under the agreement, if the delay in open access were greater than two years, the calculation method would go back to a kilowatt-hour method from the previous gross receipts calculation method. It was noted that the City favors a delay in retail open access and suggested that this would add to their incentive.

Entergy's proposed interim solution was denied and, instead, Commissioners chose to proceed with activities in accordance with the general timeframes that were proposed and discussed.

### **PUCT NOTES FOR THE MARCH 21 DECISION MEETING**

By Kelso King and John Laakso

#### **PUCT Increases PTB Fuel Factors (27390, 27376 & 27377)**

Since the companies in these cases met the requirements for an increase at the time that they were filed, the Texas PUC approved increases in the Price to Beat (PTB) fuel factors for First Choice Power, CPL Retail Energy, and WTU Retail Energy. Chairman Klein noted that the First Choice Power request of for an increase of approximately 14 percent in the PTB fuel factor met the requirements for approval at the time of filing and was approved. While the CPL Retail Energy request resulted in an increase of approximately 35 percent in the PTB fuel factor, all requirements for approval had also been met. PUCT staff identified a correction and recommended adding a requirement for the filing of a new tariff. Similar changes were also recommended for WTU Retail Energy. The administrative law judges' recommendation and staff's modifications were approved.

#### **Texas PUC Selects Market Monitoring Consultant (26511)**

The Texas PUC selected a consultant to assist with market monitoring, the development of computer models and other tools. Of the eleven proposals received, Commissioners approved Staff's recommendation--Potomac Economics and its partner Alstom. Chairman Klein had provided ERCOT Board members with an understanding of the activities that a consultant would undertake during the coming fiscal year, including activities related to ERCOT's planning for the

modifications to its data warehouse. An ultimate goal is to have the PUCT's consultants provide ERCOT with input into how to structure the data warehouse so it will be functional for the PUCT's purposes. The list of activities also included some estimated costs, as well as other activities for the next biennium. In the context of the Texas budget crisis, funding to retain these consultants was uncertain but looked promising. The PUCT issued a request for proposals, on October 11, 2002 for a consultant to assist the PUCT with market monitoring and the development of computer models and other quantitative tools. The three finalists were all capable. However, Staff recommended the selection of Potomac Economics and its partner, Alstom--including Dr. Patton. Dr. Patton is currently the Market Monitor for the Midwest ISO and is also an advisor to the Board of the New York ISO. Staff will develop a detailed work plan to develop the data warehouse platform. The Commissioners approved the selection of Potomac Economics, et al, as the PUCT's consultant and authorized the Executive Director to execute a contract with them.

### **Distribution Service Provider TCRF Rule Modified (27290)**

The Commissioners approved the publication of proposed amendments modifying the Transmission Cost Recovery Factor (TCRF) formula in PUCT Substantive Rules. The TCRF factor will be used by all investor-owned distribution service providers (DSP) within ERCOT for TCRF charges to retail electric providers (REP) and other customers of the distribution system. The amendments will achieve a better match between the amount of revenues that DSPs collect from retail customers and the expenses that the DSPs pay to transmission service providers (TSP) for transmission. The proposed amendments will impact the amount of dollars that DSPs will be allowed to collect from the TCRF non-bypassable charges. The current formula takes into account the effects of a change in 4 Coincident Peak (CP) load from one year to the next, with an unintended consequence of allowing the TCRF to collect more than the changes in the wholesale transmission cost (WTC). For example, if the 4CP Load increases, a positive TCRF charge is calculated even if there is no increase in the WTC. By replacing the Base Load Component with a New Load Component, the 4CP load is held constant. Thus, the new TCRF formula only accounts for the changes in costs to the DSPs that are based upon the actual WTC. Specific comments will be due within 21 days of publication. If a request for hearing is received within 21 days of publication, Staff will conduct a public hearing on May 8.

### **True-Up Schedule Rule Published (27401)**

This rule will establish the true-up schedule required by statute. After the introduction of customer choice, a true-up proceeding must be held for each investor owned electric utility to prevent the over-recovery of stranded costs. After January 10, 2004, each Transmission & Distribution Utility (TDU), its associated Power Generation Company (PGC), and its Affiliated Retail Electric Provide (AREP) are to jointly file to finalize stranded costs and reconcile those costs with the estimated stranded costs used to develop the competition transition charge. The proposed schedule was based on available resources, complexity of the true-up filings, and each filing company group's specific circumstances. The proposed schedule is:

Centerpoint Energy Houston, Reliant Energy Retail Services, and Texas Genco--between January 12 and January 22, 2004.

Texas-New Mexico Power Company and First Choice Power--between March 31 and April 10, 2004.

AEP Texas North Company and Mutual Energy WTU--between May 28 and June 7, 2004.

AEP Texas Central Company and Mutual Energy CPL--between September 3 and September 13, 2004.

Comments may be submitted within 30 days of publication; reply comments, within 40 days.

### **PUCT Publishes Nuclear Stranded Costs Rule (27464)**

The PUCT is publishing a rule to identify methods to quantify the market value of an electric utility's nuclear generation assets for the purpose of determining its stranded costs. While denying AEP Texas Central Company's request for a declaratory order interpreting statutory provisions, the PUCT will address the statutory interpretation issue in rulemaking. Under this rule, the sale of assets method can be used to determine the market value of nuclear assets and its stranded cost. The text states: "The market value of an affiliated power generation company's nuclear assets shall be established by compliance with any of the four methods of quantification specified in PURA." An expedited timetable has comments due April 24; Public Hearing and oral reply comments on April 29; and an Decision Meeting to consider adoption on May 9. The PUCT has invited specific comments regarding the legislative history of the portions of PURA dealing with determination of stranded costs of nuclear generation assets.

### **PUCT Planning to Revise Customer Protection Rules (27084)**

The Commissioners discussed PUCT staff memos concerning revisions to customer protection rules and tariff provisions governing the billing of retail customers by a transmission and distribution utility (TDU). Commissioners wanted billing and disconnection/reconnection issues be given a higher priority. They also discussed tariff and rule provisions that could allow a TDU to directly bill retail customers for non-bypassable charges when customers' did not have a REP of record, but energy was being consumed. The current standard tariff for retail delivery service includes a provision addressing "unauthorized use of the delivery system" that is intended to address meter tampering or bypass. Staff was concerned about an AEP proposal to place the burden on customers to challenge their bills. Prior to approving this procedure, Commissioners want to see the letter that would be sent with the bill and understand the process AEP will use to show that customers knowingly provided false information. Staff will develop an agreeable process in conjunction with AEP. As for AEP's proposal to back bill retail customers for periods in excess of six months, Staff wants to understand the scope of the problem before proposing a solution in time for the Decision Meeting on April 17.

### **TNMP Asks for Special Treatment of SBF Expenses (26942)**

On November 14, 2002, Texas-New Mexico Power Company (TNMP) requested permission to treat certain expenses as a regulatory asset pursuant to Statement of Financial Accounting Standards (FAS) No. 71. TNMP made payments to the System Benefit Fund (SBF) of \$3,621,861 for 2001. However, it was also determined that TNMP had an earnings deficiency of \$3,136,896 for that year. Without the System Benefit Fund payments, TNMP would not have

had an earnings deficiency. TNMP requested a regulatory asset of \$3,136,896 and a return on the regulatory asset at a rate of return previously granted. Finally, TNMP wanted consideration of both the regulatory asset and the rate of return during its next base-rate proceeding. Commissioners proposed changes to the preliminary order including whether the amount could be classified, rather than recovered, as a regulatory asset. The primary issue is whether the utility is entitled to interest, and whether this would impair it for the purposes of FAS 71. It was noted that not getting interest or return on this amount would prevent the full amount from being booked as a FAS 71 asset because it would be discounted by the rate of return. When the SBF was set up, the intent was that companies without excess earnings would be allowed to request the creation of a regulatory asset and capitalize it. Staff thought that companies would recover this expense from their ratepayers by counting it as an expense during the Annual Report process. The Commissioners approved the Preliminary Order as discussed.

### **Preliminary Order Issued in Flint Hill Case (25395)**

Commissioner's vacated the Phase I Interim Order in Central Power and Light's (CPL) request for a declaratory order and remanded the case to State Office of Administrative Hearings (SOAH). Parties had been asked to file issues to be considered for an amended preliminary order. [See TEMR v6n5.] The draft preliminary order identified numerous issues including: A) transmission line issues, B) Certificate of Convenience and Necessity (CCN)/utility designation issues, C) power purchase issues, D) Corpus Christi Cogeneration (CCC) issues, E) fee issues, F) ERCOT issues, and G) miscellaneous issues. Issues not to be addressed were: 1) whether a CCN should be granted to CCC, 2) the reliability of CPL's existing transmission service to Flint Hills and Citgo, 3) transmission system upgrades that CPL has either completed or is in the process of completing in the Corpus Christi area, and 4) whether the proposed transmission line meets any of the requirements necessary to obtain a CCN. Considering the changes that have taken place, Flint Hills will make sure the "agreed facts" are still viable, but a limited hearing might still be necessary. Commissioners were interested in issues pertaining to the transmission line, CCN, fee issues, and rate issues, but less interested in the definition of an electric utility. They also considered transferring the power purchase issues to another docket. Because the nature of CCC and its need for a CCN underlay the other issues, discussion focused on whether it might be more appropriate to focus on how Flint Hills and Citgo get power, including backup and standby power. In addition, there is an issue as to whether using bus facilities to transport power puts CCC into the transmission business. Some rate implications will be addressed, including whether CCC's sales to Flint Hills are wholesale or retail. Commissioners decided to retain the transmission line, CCN, and fee issues, but eliminate all the power purchase issues except for whether this is a retail or wholesale transaction. The issues related to Corpus Christi Cogeneration and ERCOT were also deleted. However, CCC's status as a QF must be determined to resolve some of the other issues. The preliminary order was approved consistent with the Commissioner's discussion.

### **PUCT Approves Fuel Reconciliation Methodology for WTU's SPP Customers (25314)**

Commissioners had few clarifying questions concerning West Texas Utilities request that the PUCT approve a fuel reconciliation methodology for its Southwest Power Pool (SPP) customers. It was noted that the fees for ESI-IDs registration and ERCOT's administrative fee seemed to

have been switched. An ordering paragraph was added to require the filing of a compliance tariff and the order was approved consistent with the Commissioner's discussion.

### **Denton Municipal Electric to Change Rates for Wholesale Transmission Service (26672)**

Parties to Denton Municipal Electric's wholesale transmission service rate case entered into a proposed settlement would increase the transmission cost of service (TCOS) by \$226,000. Two remaining questions concerned how to surcharge rate case expenses and under what authority to collect them. Parties asserted that rate case expenses can be recovered either through a surcharge or through rates. While the PUCT has allowed recovery of reasonable and necessary rate case expenses, Staff had not seen a surcharge in any other TCOS case. Parties had not requested rate case expenses in the original TCOS cases in 1996 and 1997. Most of the recent TCOS cases involved a "black box" settlement, with no explicit amount for rate case expenses. In the LCRA case, rate case expenses had been embedded in its rates in anticipation of having annual TCOS filings. The PUCT has done surcharges for bundled utilities but not for transmission providers. Since PUCT staff had reviewed the expenses and did not find any problems, an order incorporating the stipulation was approved.

### **No Waiver for Firefly Electricity (27504)**

This case was a request from Firefly Electricity to waive the a rule delay that requires a retail electric provider (REP) to wait 21 days after obtaining certification from the PUCT and ERCOT before providing retail service. [See TEMR v6n5.] Firefly had just missed the deadline for the current testing flight. On March 18, the ERCOT Board denied Firefly's request to join the current flight of communications testing to avoid holding up the 14 groups that were involved in testing. Since Firefly's testing would not be completed anytime soon, Commissioners concluded that a decision on this request was not ripe at this time. However, they were concerned about the status of testing on demand and only allowing communications testing twice a year. There has been an ongoing issue related to the infrequency of testing for new market participants. While testing on demand is difficult for new market participants, it is more useful for existing market participants that want to be certified for new market areas or other entities that were already qualified. The Retail Market Subcommittee (RMS) is discussing whether ERCOT is able to move to testing on demand and ERCOT is also considering adding more testing flights. While testing on demand is attractive, Staff was not sure it was practical. Because of the increase in the number of market participants and corresponding increase in testing difficulty, ERCOT may also be considering having only two testing flights per year. This was the first that Chairman Klein had heard of having only two flights per year and she planned to investigate this possibility. The petition for a waiver of the 21-day requirement was denied without prejudice.

### **Energy Efficiency Grants Awarded (25309)**

In response to a request on the status of reporting of emissions reductions, Staff reported that the PUCT report has been done, has gone through public comment and that the Texas Emissions Reduction Plan (TERP) Board and Texas Commission for Environmental Quality (TCEQ) are currently looking at it. Emissions reductions are calculated by linking energy savings to emissions reductions through a complicated process, which is currently undergoing revisions.

The Staff model makes assumptions that ratchet down capacity factors for all non-base load generating plants within a given region that result from reducing energy consumption in that region. With eight total proposals, there was significantly more revenue available this time. The recommended awards were approved.

### **Status of the System Benefit Fund (24116)**

Chairman Klein wanted updates on the program to know what has been fixed and what still needs work. Her questions had all been answered in a Staff memo. Staff will provide another update the prior to this summer.

### **ERCOT NOTES**

By Garry Waters and Denise Stokes

### **ERCOT COMET Working Group Submits Meter Ownership Timeline to PUCT**

At its March 26 meeting, ERCOT's Retail Marketing Subcommittee's (RMS) Competitive Metering (COMET) Working Group Team 2 (on Business Processes) developed a proposed timeline for the Public Utility Commission of Texas (PUCT). The timeline was due to the PUCT on March 28. It defines the steps necessary to meet the January 1, 2004 implementation date for meter ownership by Commercial and Industrial consumers. The timeline still requires approval from the RMS, Technical Advisory Committee (TAC) and ERCOT Board of Directors; they will take it up at their next meetings. The next deadlines for COMET will be a market wide meter list and standards due April 25 and the future market structure with a timeline to achieve that structure due May 30.

### **ERCOT's Texas SET Committee Working to Limit Delays in Sending Meter Readings to Competitive Retailers**

ERCOT's Texas SET Committee is working on a protocol change to require that the transaction "Monthly Meter Read" (867\_03) accomplished by the Transmission and/or Distribution Service Provider (TDSP) be sent to ERCOT not later than three business days after the date of the meter read. Currently, there is no time requirement so this change would ensure that the information gets to the Competitive Retailer (CR) faster, to ensure better billing and settlement information.

### **ERCOT Retail Market Subcommittee Setting Up Formal Voting Guides for Its Task Forces and Working Groups**

ERCOT's Retail Market Subcommittee (RMS) is setting up formal voting guides for its Task Forces and Working Groups. When the strawman was submitted it created a lot of discussion and many concerns for the Market Participants (MP) attending the meeting. As a result, the RMS decided to request comments by April 15 to be sent to [William.bell@centerpointenergy.com](mailto:William.bell@centerpointenergy.com) with copies sent to [dhamilton@reliant.com](mailto:dhamilton@reliant.com) and [dgbender@aep.com](mailto:dgbender@aep.com). At the author's discretion, copies of comments may also be provided to other stakeholders by copying [rms@ercot.com](mailto:rms@ercot.com). A revised draft strawman will be distributed by April 17, with additional comments due April 18. A final strawman will be distributed to the

market by April 21. The RMS is planning to vote on the final strawman at their April 23 meeting.

### **The ERCOT COMET Working Group Develops Meter List and Standards**

The ERCOT Retail Market Subcommittee's (RMS) Competitive Metering (COMET) Working Group (WG) Team 1 (on Metering Technology) developed a list of 1-phase and 3-phase meters that will form the draft "Market-Wide List" required for submission for Public Utility Commission of Texas (PUCT) review by April 25. The rest of the deliverable required by the PUCT is the "standards for meters" and "a process for meter approval." Toward that end, the COMET-WG is proposing that all meters shall meet ANSI C12.10 and either C12.1 or C12.20, without exceptions. Plus, it is proposing that meters shall meet other C12 standards as applicable to that meter's functionality, (i.e. any meter advanced monitoring/ programming capabilities). The COMET participants also agreed that any meter approval must include the requirement that the Transmission and/or Distribution Service Provider (TDSP) needs to be able to access data using that TDSP's current meter reading system. As part of the timeline milestones it developed to submit to the PUCT, the COMET-WG is working to establish as many "paper based" solutions as necessary to meet the January 1, 2004 implementation date for meter ownership by Commercial and Industrial consumers. This decision will minimize short-notice changes to the ERCOT and Market Participants (MPs) systems ensuring the quickest implementation timeline.

### **ERCOT Board of Directors Modify Relaxed Balance Schedule**

At its March 18 meeting, the ERCOT Board of Directors entertained a long discussion on its Finance and Audit Committee's recommendation to suspend relaxed balance scheduling in its entirety. The Committee's vote was predicated on the recent problems created by the February 24 to 26 freezing weather. After a motion to waive notice on the vote, which was passed unanimously by the Board, they eventually passed a resolution requiring that each Qualified Scheduling Entity (QSE) shall schedule at least 90 percent of its Load obligation, on a daily average, with bilaterally contracted or self-provided energy and not by relying upon Balancing Energy from ERCOT. There was also a long discussion on the recent TCE bankruptcy filing. Most of the discussion revolved around ERCOT's resolution to the issues related to the filing, especially the issues of protecting customers that had to be transferred from TCE and minimizing market impact

### **LEGISLATIVE NOTES**

By John Laakso

### **Committee Acts on Regulated Industries Bills**

At its March 18 hearing, the House Regulated Industries Committee heard testimony on six regulated industries bills. Bills giving the PUCT authority to establish a list of internet users who wish not to receive offensive email (HB 853), clarifying the type of business organizations defined as gas and electric corporations (HB 1531), and the bill to broaden OPUC's access to information (See Texas Spotlight article above) were left pending at the close of the hearing. On the other hand, Representative Todd Baxter got both of his bills passed. The first, HB 1948,

simply changed the composition of the Legislative Electric Restructuring Committee to reflect the changes in Committee responsibilities at the Legislature. However, his bill to have the PUCT establish mandatory municipal registration standards for retail electric providers (REP), HB 1369, was more controversial. Various city representatives argued that the PUCT had already effectively addressed the issue and no legislation was needed. In other words, the cities have “got the message” on enacting REP registration ordinances. However, an effective presentation by a representative for the Association of Retail Marketers noted that cities have not conceded the PUCT has authority to have enacted the rule. In addition, a PUCT representative made it clear that the PUCT’s safe harbor rule was voluntary and that only one city had filed under that voluntary provision. The committee passed the bill on to the full House with a recommendation that it be adopted. A bill by Representative West, HB 854, simply required public schools and libraries to establish a screening policy to be eligible for Telecommunications Infrastructure funding was also passed.

### **Regulated Industries to Take Up Two Electric Bills**

The House Regulated Industries Committee has scheduled a public hearing on two electric bills for April 1. Representative Turner has two bills that will be heard. The first (HB2463) would have the PUCT establish rules to require “persons” who violate customer protection safeguards to credit a customer’s account by at least \$50. There would also be additional administrative penalties for multiple violators, half of the revenue would go to general funds and half would help fund the cost of customer protection regulation. In 2007, PUCT would be authorized to raise the maximum amount of an administrative penalty to \$25,000. The second (HB2340) would eliminate competitive metering for residential and small commercial customers. Competitive metering for industrial and nonresidential commercial customers with a peak demand greater than 200 kw would only begin to be provided on January 1, 2004. Commonly owned or franchised commercial customers could be aggregated to meet the 200 kW test. Competitive metering costs of the ISO and the TDU would be paid by rates for the customer classes receiving competitive metering services.

### **Senate Committee Passes Cap Rock Legislation**

On March 25, a bill to make Cap Rock subject to PUCT regulation was considered and adopted by the Senate Business and Commerce Committee. Senator Fraser filed the bill, SB 1280, in reaction to great concern voiced by constituents in the Cap Rock service territory. Under the law enacted in 1999, Cap Rock was regulated as though it were an electric cooperative even though it became an investor owned utility. Senator Fraser noted that in addition to Cap Rock, Pedernales Electric Cooperative had announced to its membership that it was considering a move to competition, but he advised against it. He said, “In my mind, it was a failed experiment, and we need to reverse the amendment that authorized that to happen.” Cap Rock’s rates are “much, much higher than anyone else in the State.” While Cap Rock Electric Cooperative has not been dissolved, the assets have been transferred to the Cap Rock Corporation, which has issued shares. The committee heard from a great many witnesses as well as resource testimony by PUCT Chairman Klein. At the end of the hearing, the Committee voted 6 to 0 to report the bill favorably to the full Senate and have it placed on the Local and Consent Calendar.

## **MARKET MISCELLANY**

By John Laakso

### **Oncor to Increase Wholesale Transmission Rates (27561)**

On March 27, Oncor Electric Delivery Company (Oncor) filed for an Interim Update of Wholesale Transmission Rates. Under PUCT rules, a transmission service provider (TSP) in the ERCOT region can update its transmission rates annually to reflect changes in its invested capital. A determination whether the costs of transmission plant additions were reasonable and necessary will be deferred until the next review of the TSP's transmission cost of service. The total rate base increase is \$184,344,670. Oncor's revenue requirement would be increased by \$28,386,121 to \$299,855,121. The interim wholesale transmission rate requested is \$5,607.995824/MW and would be effective on May 1. Staff must comment by April 10.

### **TXU Files for Supplemental Capacity Auction (27522)**

On March 17, TXU Generation notified the PUCT of its intent to conduct a April 2003 capacity auction that is supplemental to its March 2003 Capacity Auction. TXU Generation is an affiliated power generation company. TXU Generation alleges that a calculation error resulted in offering too few capacity auction entitlements for some months and products and too many entitlements for other months and products. TXU Generation proposed a supplemental capacity auction to begin on April 14, 2003. A proposed order submitted to the Commissioners asserts that the PUCT can modify its capacity auction procedures pursuant to its rules and can allow TXU Generation to conduct its supplemental capacity auction outside the prescribed dates. However, PUCT staff argues that the capacity auction rule does not contain such flexibility, recommends that approval of the request should be done under the PUCT's general good cause waiver authority. Staff also wants to include revenue from this supplemental auction with TXU revenues from other auctions in any required true up proceeding. The TXU proposal would not affect situations where TXU Generation offered too many capacity auction entitlements in the March 2003 Capacity Auction since TXU Generation will honor the sales of those excess entitlements. The proposed order notes that if a supplemental auction is not conducted in sufficient time for those May 2003 entitlements to be sold and properly scheduled for May 2003, then those entitlements will never be available to the market. The Office of Public Utility Counsel, AEP Texas Central Company, AEP Texas North Company, Cities, and PUCT have already intervened in the case.

### **Reliant Still Discussing Debt Refinance**

As of the end of March, Reliant Resources continued talks with its bankers regarding \$2.9 billion in debt that was due on March 28. Reliant is seeking to refinance that debt and another \$3 billion coming due by next year. While technically be in default on the \$2.9 billion loan, its creditors have not taken any action to date. Many financial analysts expect Reliant to reach a deal, but after the Federal Energy Regulatory Commission found alleged evidence of Reliant's involvement in the California electricity price manipulation, more uncertainty was added to an already difficult situation.

## **NEW PUCT INITIATED PROJECTS/DOCKETS**

**27522** (3/20/2003) Petition of TXU Generation Company to Modify Capacity Action Procedures.

**27541** (3/24/2003) Year 2003 Annual Energy Efficiency Reports.

**27550** (3/25/2003) Compliance Calculations Pursuant to Final Order In PUCT Docket 26000.

**27567** (3/28/2003) Filings by Providers of Last Resort Relating to Mass Customer List. Reliant Energy Retail Services filed notice of Mass Customer List availability.

**27568** (3/28/2003) PUCT Staff Review of Issues Surrounding Transfer of Customers to the Provider of Last Resort.

**27569** (3/28/2003) PUCT Staff Review of Issues Related to Retail Customer Billing By Retail Electric Providers During 2002.

**27570** (3/28/2003) PUCT Staff Review of Issues Related to Invoicing By Transmission And Distribution Utilities During 2002.

## **CONFERENCES, ETC.**

### **Electric Power Course Moves to Washington, D.C.**

The next offering of "Introduction to Electric Power for Legal, Accounting, and Regulatory Professionals" will be held April 23 through 25, 2003 in Washington, DC. This fast-paced three-day course provides a working understanding of electric power without requiring a technical or math background. Participants will be able to better understand and discuss technical issues in the electric utility industry, particularly relating to electric industry restructuring, transmission open access, "wheeling," "loop flow," and competition. Analogies between electric power and familiar experiences will be offered to help in explaining and understanding issues. Course and registration details are on the course website, [www.baldick.com](http://www.baldick.com).

### **Texas A & M to Hold Electric Deregulation Conference**

The George Bush School of Government and Public Service and the Texas A & M Department of Economics will host a policy conference on April 4 at College Station, Texas. The conference, entitled Electricity Deregulation: Where To From Here?, will bring academics, policymakers and industry members together to discuss electric industry restructuring. Confirmed presenters include Pat Wood, Representative Joe Barton, Erle Nye, and Tom Kuhn. Deregulation academics in attendance will include Paul Joskow, Bill Hogan, Al Klevorick, Catherine Wolfram, and Ross Baldick. The academic experts will present case studies of specific deregulated markets such as California, Texas, and the UK. At an evening roundtable, national policymakers, industry leaders, and academics will debate the most controversial

elements of deregulation. For more information on the conference and how to register, see the conference website: <http://bush.tamu.edu/research/EPPP/2003/>.

## **THE TEXAS ELECTRIC CALENDAR**

As of publication time for this issue, all events are in Austin, unless otherwise stated.

### **APRIL 2003**

4/1/03, Tuesday, Legislature, Regulatory Industries Committee  
4/1/03, Tuesday, ERCOT, Credit Work Group  
4/1-3/03, Tuesday-Thursday, ERCOT, 20th Annual Operations Training Seminar  
4/2/03, Wednesday, TCEQ, Commissioners' agenda  
4/2/03, Wednesday, ERCOT, WMS  
4/2/03, Wednesday, PUCT, General decision meeting  
4/3/03, Thursday, ERCOT, TAC  
4/4/03, Friday, ERCOT, RMS Task Force  
4/4/03, Friday, ERCOT, Demand Side Working Group Meeting  
4/4/03, Friday, TCEQ, Commissioners' work session  
4/7-8/03, Monday-Tuesday, ERCOT, COMET  
4/8/03, Tuesday, Legislature, Regulatory Industries Committee  
4/8-10/03, Tuesday-Thursday, ERCOT, 20th Annual Operations Training Seminar  
4/9/03, Wednesday, ERCOT, ROS  
4/11/03, Friday, ERCOT, EQSE Project Managers WG  
4/14/03, Monday, ERCOT, V 1.5 Coordination Team Meeting  
4/14/03, Monday, SPP, Board of Directors  
4/14/03, Monday, PUCT, Rulemaking to Revise Customer Protection Rules  
4/15/03, Tuesday, Legislature, Regulatory Industries Committee  
4/15/03, Tuesday, ERCOT, ERCOT Board Meeting  
4/15-17/03, Tuesday – Thursday, ERCOT, 20<sup>th</sup> Annual Operations Training Seminar  
4/16/03, Wednesday, ERCOT, Profiling  
4/16/03, Wednesday, ERCOT, OWG  
4/16/03, Wednesday, ERCOT, WMS  
4/16/03, Wednesday, TCEQ, Commissioners' agenda  
4/17/03, Thursday, GCPA, Luncheon – to be announced, Houston  
4/17/03, Thursday, PUCT, General decision meeting  
4/21/03, Monday, GCPA, Luncheon – Texas Energy, Today and Tomorrow  
4/21-22/03, Monday-Tuesday, ERCOT, Texas SET  
4/22/03, Tuesday, Legislature, Regulatory Industries Committee  
4/22-24/03, Tuesday – Thursday, ERCOT, 20<sup>th</sup> Annual Operations Training Seminar  
4/23/03, Wednesday, ERCOT, RMS  
4/24/03, Thursday, ERCOT, TTPT  
4/24-25/03, Thursday- Friday, ERCOT, COMET  
4/25/03, Friday, ERCOT, PRS  
4/29/03, Tuesday, Legislature, Regulatory Industries Committee  
4/29-30/03, Tuesday – Wednesday, ERCOT, 20<sup>th</sup> Annual Operations Training Seminar

4/30/03, Wednesday, TCEQ, Commissioners' agenda

## **MAY 2003**

5/01/03, Thursday, ERCOT, 20<sup>th</sup> Annual Training Seminar

5/05-06/03, Monday- Tuesday, ERCOT, COMET

5/07/03, Wednesday, ERCOT, MIMO Market Educational Seminar

5/07/03, Wednesday, ERCOT, Profiling

5/08/03, Thursday, ERCOT, TAC

5/08/03, Thursday, PUCT, Rulemaking Proceeding to Revise Substantive Rule §25.193

5/09/03, Friday, PUCT, general decision meeting

**5/12/03, Monday, Legislature, Last Day for House Committees to Report House Bills, day 119**

5/12-13/03, Monday-Tuesday, ERCOT, Texas SET

5/14/03, Wednesday, TCEQ, Commissioners' agenda

5/14/03, Wednesday, ERCOT, ROS

5/14/03, Wednesday, ERCOT, TTPT

5/15/03, Thursday, ERCOT, RMS

5/16/03, Friday, TCEQ, Commissioners' work study session

5/19/03, Monday, ERCOT, EQSE Project Managers WG

5/20/03, Tuesday, ERCOT, ERCOT Board Meeting

5/20-21/03, Tuesday- Wednesday, ERCOT, COMET

5/21/03, Wednesday, ERCOT, WMS

5/22/03, Thursday, PUCT, General decision meeting

5/22/03, Thursday, ERCOT, PRS

5/22/03, Thursday, ERCOT, OWG

**5/24/03, Saturday, Legislature, Last day for House Committees to report senate bills, day 131**

5/28/03, Wednesday, ERCOT, Profiling

5/29/03, Thursday, TCEQ, Commissioners' agenda

## **JUNE 2003**

**6/2/03, Tuesday, Legislature, End of 78<sup>th</sup> Legislative Regular Session**

6/5/03, Thursday, PUCT, General decision meeting

6/5/03, Thursday, ERCOT, TAC

6/9-10/03, Monday-Tuesday, ERCOT, COMET

6/10-11/03, Tuesday-Wednesday, ERCOT, Texas SET

6/11/03, Wednesday, ERCOT, ROS

6/11/03, Wednesday, ERCOT, EQSE Project Managers WG

6/12/03, Thursday, ERCOT, RMS

6/17/03, Tuesday, ERCOT, ERCOT Board Meeting

6/18/03, Wednesday, TCEQ, Commissioners' agenda

6/18/03, Wednesday, PUCT, General decision meeting

6/18/03, Wednesday, ERCOT, WMS

6/19/03, Thursday, ERCOT, PRS

6/19/03, Thursday, ERCOT, OWG

6/19/03, Thursday, ERCOT, TTPT

6/20/03, Friday, TCEQ, Commissioners' work session  
**6/22/03, Sunday, Legislature, Last day Governor can sign or veto bills**  
6/25-26/03, Wednesday- Thursday, ERCOT, COMET

### **JULY 2003**

7/2/03, Wednesday, ERCOT, TAC  
7/8-9/03, Tuesday-Wednesday, ERCOT, COMET  
7/9/03, TCEQ, Commissioners' agenda  
7/9/03, Wednesday, ERCOT, ROS  
7/10/03, Thursday, PUCT, General decision meeting  
7/10/03, Thursday, ERCOT, EQSE Project Managers WG  
7/15/03, Tuesday, ERCOT, ERCOT Board Meeting  
7/15-16/03, Tuesday-Wednesday, ERCOT, Texas SET  
7/16/03, Wednesday, ERCOT, WMS  
7/17/03, Thursday, ERCOT, RMS  
7/22-23/03, Tuesday-Wednesday, ERCOT, COMET  
7/23/03, Wednesday, ERCOT, OWG  
7/23/03, Wednesday, TCEQ, Commissioners' agenda  
7/23/03, Wednesday, ERCOT, TTPT  
7/24/03, Thursday, PUCT, general decision meeting  
7/24/03, Thursday, ERCOT, PRS  
7/25/03, Friday, TCEQ, Commissioners' work session

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