

CHAPTER 25. SUBSTANTIVE RULES APPLICABLE TO ELECTRIC SERVICE PROVIDERS.

Subchapter I. TRANSMISSION AND DISTRIBUTION.

DIVISION 1. OPEN-ACCESS COMPARABLE TRANSMISSION SERVICE FOR ELECTRIC UTILITIES IN THE ELECTRIC RELIABILITY COUNCIL OF TEXAS.

§25.198. Initiating Transmission Service.

- (a) **Initiating service.** Where a transmission service customer uses the transmission facilities in the Electric Reliability Council of Texas (ERCOT), whether its own facilities or those of another transmission service provider (TSP), to serve load or to make sales of energy to a third party, it shall apply for transmission service pursuant to this section, the ERCOT protocols, and commission-approved tariffs.
- (b) **Conditions precedent for receiving service.** Subject to the terms and conditions of this section and in accordance with the ERCOT protocols and commission-approved tariffs, the TSP will provide transmission service to any transmission service customer as that term is defined in §25.5 of this title (relating to Definitions), provided that:
 - (1) the transmission service customer has complied with the applicable provisions of the ERCOT protocols;
 - (2) the transmission service customer and the TSP have completed the technical arrangements set forth in subsection (e) of this section; and
 - (3) if the transmission service customer operates electrical facilities that are interconnected to the facilities of a TSP, it has executed an interconnection agreement for service under this section or requested in writing that the TSP file a proposed unexecuted agreement with the commission.
- (c) **Procedures for initiating transmission service.** A transmission service customer requesting transmission service under this section must comply with the ERCOT protocols and commission-approved tariffs.
 - (1) The transmission service customer shall provide all information deemed necessary by ERCOT to evaluate the transmission service.
 - (2) ERCOT must acknowledge the request within ten days of receipt. When the request is complete, the acknowledgment must include a date by which a response will be sent to the transmission service customer and a statement of any fees associated with responding to the request (e.g., system studies).
 - (3) If a transmission service customer fails to provide ERCOT with all information deemed necessary, then ERCOT shall notify the transmission service customer requesting service within 15 business days of receipt and specify the reasons for such failure. Wherever possible, ERCOT will attempt to remedy deficiencies in the application through informal communications with a transmission service customer.
 - (4) If ERCOT determines that a system security screening study is required, upon approval of the requesting transmission service customer, ERCOT will initiate such a study. If this study concludes that the transmission system is adequate to accommodate the request for service, either in whole or in part, or that no costs are likely to be incurred for new transmission facilities or upgrades, the transmission service will be initiated or tendered, within 15 business days of completion of the system security screening study.
 - (5) If ERCOT determines as a result of the system security screening study that additions or upgrades to the transmission system are needed to supply the transmission service customer's forecasted transmission requirements, the TSP will, upon the approval of the requesting transmission service customer, initiate a facilities study. When completed, a facilities study will include an estimate of the cost of any required facilities or upgrades and the time required to complete such construction and initiate the requested service.

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§25.198(c) continued

- (6) When a transmission service customer requests transmission service for a new resource under this section, ERCOT shall establish the scope of any system security screening study. The study will be used to determine the feasibility of integrating such new resource into the TSPs' transmission system, and whether any upgrades of facilities providing transmission are needed. ERCOT will perform the system security screening study.
 - (A) ERCOT shall complete the system security screening study and provide the results to the transmission service customer within 90 days after the receipt of an executed study agreement and receipt from the transmission service customer of all the data necessary to complete the study. In the event ERCOT is unable to complete the study within the 90-day period, it will provide the transmission service customer a written explanation of when the study will be completed and the reasons for the delay.
 - (B) The requesting transmission service customer shall be responsible for the cost of the system security screening study and shall be provided with the results thereof, including relevant work papers to the extent such results and workpapers do not contain protected competitive information as reasonably determined by ERCOT.
 - (C) ERCOT will use a methodology consistent with good utility practice to conduct the system security screening study and shall coordinate with affected TSPs as needed in determining the most efficient means for all TSPs in the ERCOT region to assure feasibility of transmission service.

- (d) **Facilities study.** Based on the results of the system security screening study, the TSP shall perform, pursuant to an executed facilities study agreement with the transmission service customer, a facilities study addressing the detailed engineering, design and cost of transmission facilities required to provide the requested transmission service.
 - (1) The facilities study will be completed as soon as reasonably practicable. If the TSP may charge a contribution in aid of construction under §25.195 of this title (relating to Terms and Conditions for Transmission Service), the TSP shall notify the transmission service customer whether it considers that a contribution in aid of construction is appropriate and the amount of the contribution. The TSP shall base its request on the information in the system security screening study, the facilities study, good utility practice, and §25.195 of this title.
 - (2) The transmission service customer shall be responsible for the reasonable cost of the facilities study pursuant to the terms of the facilities study agreement and shall be provided with the results of the facility study, including relevant workpapers.
 - (3) Pursuant to §25.195(c)(2) of this title, the TSP shall be responsible for the costs of any planning, designing, and constructing of facilities of the TSP associated with its addition of new facilities used to provide transmission service.

- (e) **Technical arrangements to be completed prior to commencement of service.** Service under this section shall not commence until the installation has been completed of all equipment specified under the interconnection agreement, consistent with guidelines adopted by the national reliability organization and ERCOT, except that the TSP shall provide the requested transmission service, to the extent that such service does not impair the reliability of other transmission service. The TSP shall exercise reasonable efforts, in coordination with the transmission service customer, to complete such arrangements as soon as practical prior to the service commencement date.

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- (f) **Transmission service customer facilities.** The provision of transmission service shall be conditioned upon the transmission service customer's constructing, maintaining and operating the facilities on its side of each point of interconnection that are necessary to reliably interconnect and deliver power from a resource to the transmission system and from the transmission system to the transmission service customer's loads.
- (g) **Transmission arrangements for resources located outside of the ERCOT region.** If a transmission service customer intends to import power from outside the ERCOT region, it shall make any transmission arrangements necessary for delivery of capacity and energy from the resource to an interconnection with ERCOT.
- (h) **Changes in service requests.** A transmission service customer's decision to cancel or delay the addition of a new resource shall not relieve the transmission service customer of the obligation to pay for any study conducted in accordance with this section.
- (i) **Annual load and resource information updates.** A transmission service customer shall provide ERCOT with annual updates of load and resource forecasts for the following five-year period. The transmission service customer also shall provide ERCOT with timely written notice of material changes in any other information provided in its application relating to the transmission service customer's load, resources, or other aspects of its facilities or operations affecting the TSP's ability to provide reliable service under Division 1 of this subchapter.
- (j) **Termination of transmission service.** A transmission service customer may terminate transmission service after providing ERCOT and the appropriate TSP with written notice of its intention to terminate. A transmission service customer's provision of notice to terminate service under this section shall not relieve the transmission service customer of its obligation to pay TSPs any rates, charges, or fees, including contributions in aid of construction, for service previously provided under the applicable interconnection service agreement, and which are owed to TSPs as of the date of termination.