

# Texas Regional Entity Background and Role

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# What Is the Role of the Texas RE?

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- The Texas RE has delegated authorities and responsibilities, as approved by FERC, to enforce NERC and regional reliability standards, and perform other standards-related functions assigned by NERC. NERC oversees the regions in this role to ensure consistency of delegated functions across North America, while allowing for an appropriate degree of flexibility to accommodate regional differences.
- Texas RE also has non-(federal) statutory roles, which primarily involves enforcing compliance with reliability-related ERCOT protocols and guides.

# What Is a Reliable Bulk Power System?

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A bulk power system (BPS) that is able to meet the electricity needs of end-use customers even when unexpected equipment failures or other factors reduce the amount of available electricity.

NERC divides reliability into two categories:

- **Adequacy:** Having sufficient resources to provide customers with a continuous supply of electricity
- **Security:** The ability of the BPS to withstand sudden, unexpected disturbances, or unanticipated loss of system elements due to natural causes or disturbances caused by man-made physical or cyber attacks

# Regional Delegation Agreement with NERC

- Establishes roles and duties per the NERC Rules of Procedure
- Arranges for governance and funding
- Approved by:
  - ✓ **ERCOT (Texas RE) Board**
  - ✓ **NERC**
  - ✓ **FERC**

Refer to the *Texas RE Regional Delegation Agreement* documentation on the Texas Regional Entity page of ERCOT.com:

<http://www.ercot.com/mktrules/compliance/tre/index.html>

# NERC's Rules of Procedure

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- Formalize NERC duties
- Establish NERC and regional roles
- Include the Compliance Monitoring and Enforcement Program (Appendix 4C)

Refer to the About NERC page on the NERC website:

[http://www.nerc.com/~filez/rules\\_of\\_procedure.html](http://www.nerc.com/~filez/rules_of_procedure.html)

Regional entities must comply with ERO Rules of Procedure as applicable to functions delegated to the RE by NERC:

- Compliance enforcement
- Regional reliability standards development
- Organization registration and certification
- Reliability readiness evaluation and improvement
- Reliability assessment and performance analysis
- Training and education
- Situation awareness and infrastructure security

# PUCT Compliance Process

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- Prior to EPA2005
- Focused on ERCOT protocols and operating guides requirements
- Largely parallel assessment processes
- PUCT determines whether to take any enforcement action

Refer to *ERCOT Compliance Process* document  
on the Compliance page of ERCOT.com:

<http://www.ercot.com/mktrules/compliance/index.html>

# Texas Regional Organization (2007-2008)

