**From:** Lemons, Lisa A. [Lisa.Lemons@cityofdenton.com]  
**Sent:** Tuesday, November 29, 2011 7:50 AM  
**To:** Seely, Chad  
**Subject:** DME Comments Regarding - M-B112111-01 Notice of Draft Amendments to P.U.C. Subst. R. 25.507 and Request for Comments

Mr. Seely,

Denton Municipal Electric applauds the Public Utility Commission of Texas (PUCT), Staff and ERCOT for the work that has already been done with regard to Emergency Interruptible Load Service (EILS) and is pleased to provide these comments to ERCOT concerning its proposed revisions to P.U.C. Subst. R. 25.507.  While DME reserves the right to provide comments to any specific section of this proposed amendment in future proceedings, DME is generally supportive of ERCOT’s proposed Emergency Response Service (ERS), which serves as a proposed replacement to the current EILS program.

In particular, DME supports the inclusion of dispatchable distributed generation resources into both the ERS service and the compliance portion of the rule.  If the PUCT is going to implement a load shedding payment program, DME would suggest that the program be inclusive of all options that can provide emergency relief to the grid, including dispatchable distributed generation, wherever possible.

DME also believes that if market participants are going to receive payment to stand ready to provide system load relief when needed, they should actually provide such relief when needed.  For this reason, DME will remain interested in the proposed changes to 25.507 that address compliance.

With regard to specific changes to the proposed edits to 25.507, DME notes that the language under (c) (4) appears incomplete.  As a result, DME recommends the following language change to (c) (4):

**(4)       A resource shall not commit to provide ERS if it is separately obligated to provide response with the same capacity during any of the same hours for which an ERS offer is being or has been submitted.**

Sincerely,

Lisa A. Lemons

Key Accounts, Energy Efficiency and Sustainability Manager

Denton Municipal Electric

(940) 349-7142 Office

(940) 312-2722 Mobile

(940) 349-7334 Fax