**TO**: Electric Reliability Council of Texas (ERCOT) and its, Date: 5/03/2016

 Wholesale Market Subcommittee (WMS)

 Reliability & Operations Subcommittee (ROS)

**From**: Calpine Corporation

In response to ERCOT’s e-mail notification to Calpine dated 5/02/16 in regard to anticipated testing of the Laredo-North Edinburg 345 kV Line series compensation equipment, Calpine strenuously objects to such testing.

We object on the basis of a wide variety of reasons, not the least of which are:

1. We have not had adequate opportunity to analyze or have analyzed the draft report  *ETTValleyConstraintMVEC TA r1 20160420* , which we received on 4/29/2016,
2. NPRR-562, which addresses SSR relative to the use of series compensation, and defines the acceptable level of detail to be used in comprehensive SSR studies, has not received either a detailed reading and discussion or an up/down vote, and
3. PUCT docket #42631 is still pending and addresses protection/mitigation cost allocation.  Unintended consequences of the proposed series capacitor testing may result in damages which may require mitigation or protection at the resource location with peak season immediately in front of Ercot and Calpine.  The Lower Rio Grande Valley is a critical load area requiring all resources to be available for peak season and any unintended damages to NEDIN not only leaves the LRGV exposed to potential firm load shedding but also leaves Calpine only one alternative to regain the NEDIN capability – protect/mitigate against further damage without certainty as to who has the responsibility for paying for it.

Vr,

RANDY JONES

VP – GOVERNMENT & REGULATORY AFFAIRS

CALPINE CORPORATION

Direct: (713) 830-8846

Cell: (832) 385-3322

Email: email@calpine.com