



September 5, 2019

ERCOT
Attn: Don Tucker
2705 West Lake Drive
Taylor, Texas 76574

From: CPS Energy
To: Electric Reliability Council of Texas (ERCOT),
ERCOT Technical Advisory Committee (TAC)

Subject: Application for Permanent Site-Specific Exemption from Compliance with ERCOT Nodal Protocols, Section 10.3.2.3 (6)

In accordance with Nodal Protocols Section 10.14, Exemptions from Compliance to Metering Protocols, CPS Energy submits the following application to ERCOT and requests that ERCOT TAC and the ERCOT Board approve a permanent exemption for the Calaveras Generation Facility (Calaveras Facility) from the metering requirements found in Nodal Protocols, Section 10.3.2.3(6). Protocol Section 10.3.2.3(6) allows the use of net metering for a facility with multiple Points of Interconnection (POI), provided that the POIs are physically within 400 yards. The Calaveras POIs are approximately 570 yards apart.

The Calaveras Facility resides in Bexar County and was built in 1967. The facility includes Calaveras Lake that provides cooling water to six generators with an approximate name plate capacity of 3,100 MW. The planning and engineering for the second Point of Interconnection (POI) began before the completion of the J.K. Spruce 1 Generation Station in 1992, which was prior to deregulation of the wholesale market in the early 1990's and the ERCOT Retail Market opening to competition in 2002. Modifying the POIs to meet Nodal Protocol Section 10.3.2.3(6) 400 yard requirement would be very costly.

ERCOT Nodal Protocols, Section 10.14, establishes the process and information required to seek an exemption from compliance with ERCOT metering requirements. The required exemption information is in the attachments to this letter.

CPS Energy appreciates ERCOT's attention to this matter and requests that a permanent exemption be granted. Our point of contact for questions is:

David Detelich
djdetelich@cpsenergy.com
210-353-3037

Please contact David if you have any questions or need additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read 'B. Ethridge, Jr.', with a stylized flourish at the end.

Benjamin L. Ethridge, Jr.
Senior Vice President
Power Generation

Attachments:

1. CPS Energy input to requirements listed in Protocol Section 10.3.2.3
2. Calaveras Facility Plan View
3. "Calaveras Facility Plot Plan" - JKS1 and JKS2 Plant Design Layout
4. Calaveras Facility POI Physical Measurement

Application for Permanent Site-Specific Exemption from Compliance with ERCOT Nodal Protocols, Section 10.3.2.3 (6)

CPS Energy submits this application to ERCOT for a permanent exemption for the Calaveras Generation Facility (Calaveras Facility) from the metering requirements found in Nodal Protocols, Section 10.3.2.3(6). In accordance with ERCOT Nodal Protocols, Section 10.14.3.1 Information to be Included in the Application, CPS Energy provides the required information below.

The application for exemption to ERCOT shall include:

- (a) *A detailed description of the exemption sought, including specific reference to the relevant Section(s) of these Protocols or the SMOG authorizing ERCOT to grant the exemption, and the Metering Facilities to which the exemption will apply*

CPS Energy seeks approval by ERCOT TAC and the ERCOT Board for a permanent exemption from the requirements in the Nodal Protocols, Section 10.3.2.3 (6), for the Calaveras Facility including all 9 EPS meter points at the site (TDSP Project Numbers (JK Spruce) 57151 - 020; (JT Deely) 57153 - 020; (OW Sommers) 57156 - 020).

- (b) *A detailed statement of the reason for seeking the exemption, including any supporting documentation*

The Calaveras Facility was audited by ERCOT on November 8, 2018. The audit found that JK Spruce 2 generator (JKS2) POI to the ERCOT grid was out of compliance with Protocol 10.3.2.3(6). Protocol 10.3.2.3(6) allows the POI to be within 400 yards. The POIs at the Calaveras site are approximately 570 yards.

The Calaveras Facility, owned by the City of San Antonio acting by and through CPS Energy, is situated in Bexar County. The Calaveras Facility, which was built in 1967, includes Calaveras Lake that provides cooling water for the generation units built at the lake site. The combined Calaveras Facility generator name plate capacity is approximately 3,100 MW, consisting of four coal-fired generating units and two gas-fired units. The following generators, and associated in-service dates, are located at the Calaveras Facility:

- Sommers Unit 1 (430 MW gross / 420 MW net) added in 1972
- Sommers Unit 2 (420 MW gross / 410 MW net) added in 1974
- Deely Unit 1 (440 MW gross / 420 MW net) added in 1977
- Deely Unit 2 (440 MW gross / 420 MW net) added in 1978
- JK Spruce Unit 1 (587 MW gross / 560 MW net) added 1992
- JK Spruce Unit 2 (820MW gross / 785 MW net) added 2010

See Attachment 2 – Calaveras Facility Plan View

The planning and engineering design for the addition of the Spruce Generation Plant to the Calaveras Facility began prior to the deregulation of the wholesale market in the early 1990's,

and when the ERCOT Retail Market was opened to competition in 2002. The 1980's Spruce Plant initial design layout of JKS1 and JKS2 generators included the reserve auxiliary transformers to support both generators. JKS1 was placed on-line in 1992 and JKS 2 was placed on-line in 2010. The initial design included all reserve auxiliary transformers with internal plant construction of the 4,160 V plant station service switchgear for operating and interconnecting JKS1 and JKS2 auxiliary power systems.

See Attachment 3 - "Calaveras Facility Plot Plan" - JKS1 and JKS2 Plant Design Layout

One 138 kV line from the Sommers - Deely Switchyard feeds the Spruce reserve auxiliary transformers (POI 7). *(This is the only electrical connection between the Spruce Plant and the Sommers - Deely Plant. No other electrical connection from the Spruce Plant or Spruce Switchyard is capable of providing substantial support to the Sommers – Deely Plant(s).)*

The CPS Energy distribution system provides one 15 kV circuit to portions of the Calaveras Facility coal yard for the Deely and Spruce Plants. This distribution circuit is metered as San Antonio load and is located within the CPS Energy NOIE boundary meters.

In 2002, when the ERCOT Retail Market opened, CPS Energy submitted separate ERCOT Metering Design Proposals for the Calaveras Facility. One Metering Design Proposal was for the Spruce Plant, and one Metering Design Proposal was for the Sommers and Deely Plants. Working with ERCOT, the ERCOT Metering Design Proposals were combined and approved on February 8, 2002 to create the Calaveras Facility, netting the eight EPS metering points for Calaveras Facility plant load and generation, in accordance with Protocol 10.3.2.3. Since 2002, the Calaveras Facility has been registered as a single generation facility.

In 2009, the ERCOT Metering Design Proposal was amended to include the JKS2 metering point. Construction of the JKS2 started in 2007 and was completed in 2010. The addition of the JKS2 metering point at the Calaveras Facility resulted in the interconnection points being 570 yards apart.

See Attachment 4 - Calaveras Facility POI Physical Measurement

(c) Details of the Entity(s) to which the exemption will apply;

The exemption will apply to CPS Energy, as the registered Resource Entity and Qualified Scheduling Entity (QSE) for the Calaveras Facility.

(d) Details of the location to which the exemption will apply;

The location to which the exemption will apply is the Calaveras Facility located at 9599 Gardner Road, San Antonio, TX 78263 and includes all 9 EPS meters at the site (TDSP Project Numbers (JK Spruce) 57151 - 020; (JT Deely) 57153 - 020; (OW Sommers) 57156 - 020)).

(e) Details of the period of time for which the exemption will apply, including the proposed start and finish dates of that period; and;

The permanent exemption will start upon the date of approval by the ERCOT Board of Directors. There is no end date to this exemption.

(f) Any other information requested by ERCOT

This application provides answers to the questions found in ERCOT'S GENERAL GUIDELINES FOR CONSIDERING ERCOT POLLED SETTLEMENT (EPS) METERING FACILITY EXEMPTIONS, which is posted on the MIS.

Q1. Does the application for exemption meet all the requirements in Protocol Section 10.14.3.1, Information to be Included in the Application?

A1. Yes

Q2. Is the exemption required for compliance to Protocol Section 10, Metering, or the Settlement Metering Operating Guide (SMOG)?

A2. Yes, the exemption is required for compliance to Protocol Section 10, Metering

Q3. Is the exemption request for reasons that are beyond the control of the Transmission and/or Distribution Service Provider (TDSP) or for unforeseen circumstances?

A3. Yes, based on the initial Spruce Plant design that occurred prior to competitive retail market Protocols.

Q4. Is the application for exemption of a temporary nature?

A4. No

Q5. When and how will the reason for the exemption be resolved?

A5. The exemption request is for a Permanent Exemption. If an exemption is not approved, a reconfiguration plan would have to be developed.

Q6. Are affected Market Participants in agreement over the exemption request?

A6. Since, only CPS Energy entities are affected by this exemption request, other Market Participant agreement is not applicable.

Q7. What is the estimated metering inaccuracy associated with the exemption request?

A7. None. The deviation from the required metering distance is minimal, and thus no inaccuracies will be introduced.

Q8. How will any inaccuracies be accounted for during the period of the exemption?

A8. Not Applicable.

Q9. Does the settlement system design currently support the exemption request?

A9. Yes, if permanent exemption is granted.