February 18, 2020 RPG Meeting Notes

**Miscellaneous Updates**

PLWG will meet directly after RPG today.

Ping Yan gave an update on the RTP load review. After the January meeting, ERCOT received additional load corrections. ERCOT applied those load corrections, and updated our preliminary load review numbers. The updated information was shared via the RPG mailing list on February 5. ERCOT is in the process of reviewing all the information received, and is targeting on presenting the final 2020 RTP load levels at March RPG.

GTC and QSA Workshop next Monday, Feb 24, in Met 206. The majority will focus on operations, but there will be a planning portion.

ERCOT has filed a couple of letters at the PUCT for planning for the Permian basin load. The letters were filed in early December and about two weeks ago. Over the last year, ERCOT has been working with customers and TSPs in West Texas to look at potential process changes that could be implemented to address the timeliness of infrastructure upgrades. There were a number of ideas that were brainstormed with customers and TSPs. The goal is to get infrastructure in place to serve the customers. ERCOT expects the commission to discuss this in a meeting within the next couple of months.

Brad Schwarz (Sharyland): On the third party load forecast, is this something that ERCOT will use in the future?

Jeff Billo (ERCOT): We haven’t seen the results yet so we can’t comment on that at this point.

Sun Wook Kang (ERCOT) gave an update on the Valley Import Project to announce that the IDEVs that have the parameters of the preferred upgrades are available in the MIS secure area.

**2020 RTP Economic Assumptions**

John Bernecker (ERCOT) presented on the 2020 Regional Transmission Plan Economic Analysis Assumptions. The forecast for natural gas prices and miscellaneous updates were shared.

(7x energy): Can you clarify the thresholds for the plant to be included in the models to be a part of the study?

John Bernecker (ERCOT): Planning Guide Section 6.9(1) defines the requirements for generation to be included in economic transmission planning cases.

**Frio County Project Independent Review**

Priya Ramasubbu gave a status update on ERCOT’s Independent Review of the Frio County Project. This is a Tier 2 project estimated to cost approximately $23 million. There will be an update presented at the March RPG meeting.

Jeff Billo expanded on the project sharing that with lower natural gas prices, more of the Pearsall gas units were being dispatched, thereby increasing congestion on the Pearsall transformer. Although counterintuitive, this goes to show that higher natural gas prices do not necessarily show higher economic benefits with the Frio County project.

Alex Lau (representing First Solar): Have you looked into any other alternatives besides the two options presented here?

Priya Ramasubbu (ERCOT): We started looking at converting the existing Moore – Lytle 69-kV line to 138-kV. Preliminary production cost runs showed that the upgrade was hurting the system rather than helping. The project option was, hence, not evaluated any further.

Alex Lau (representing First Solar): Have you considered rebuilding Moore – Hondo Creek 138-kV line? Once either option 1 or option 2 is added to the base case, additional congestion will appear on this line.

Priya Ramasubbu (ERCOT): Moore – Hondo Creek does get more congested with either option 1 or option 2 modeled in the cases. However, the production cost savings calculated from preliminary runs are not sufficient to justify the cost of rebuilding a 17-mile long 138-kV circuit.

Clayton Greer (Morgan Stanley): Was the value of the existing transformer at Dilley considered towards the cost estimate of Option 1?

Priya Ramasubbu (ERCOT): We did not receive that information in the RPG submittal and will need to reach out to AEP.

**Farmersville Area Reliability Project Independent Review**

Ying Li (ERCOT) introduced the scope and gave a status update on the ERCOT Independent Review of the Farmersville Area Reliability Project.

Clayton Greer (Morgan Stanley): Is the assumption that you will need to do the project regardless?

Ying Li (ERCOT): Yes.

**Corpus Christi North Shore Project Independent Review**

Ben Richardson (ERCOT) presented an update on ERCOTs Independent Review of the Corpus Christi North Shore Project. This Independent Review should be completed by Q1 2020.

Randy Jones: Are you going to release your final independent review at the end of March or will we see it by March 10?

Ben Richardson (ERCOT): We are hoping to present the final independent review at the March RPG.

Nextera: What happens after if there are SSR impacts?

Ben Richardson (ERCOT): SSR goes through a series of checks and we see what is necessary.

Clayton Greer (Morgan Stanley): Is it an issue running a 345 kV that close to the coast?

Mina Turner (AEP): There are talks of doing a GIS or open air; they are thinking about the contamination.