



Item 10: Load Zone Changes – Request of Lower Colorado River Authority

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Board of Directors Meeting

ERCOT Public

October 17, 2023

Board Request

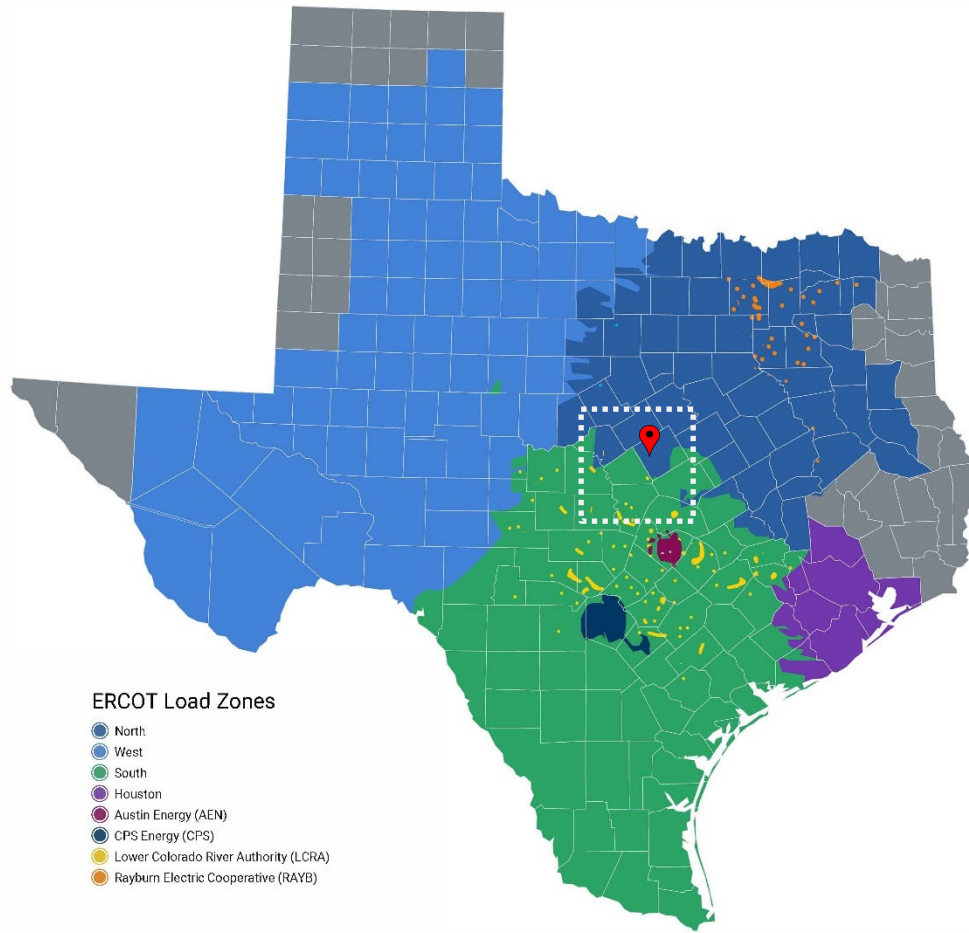
Why this is being presented today – Details of request and applicable Protocols:

- Lower Colorado River Authority (LCRA) requested Hamilton County Electric Cooperative load (20 MW), which LCRA is contracted to serve following the Brazos Electric Power Cooperative, Inc. bankruptcy matter, be moved into the LCRA Load Zone (a Non-Opt-In Entity (NOIE) Load Zone that is currently 3,950 MW).
- Paragraph (1) of Protocol Section 3.4.2, Load Zone Modifications, provides in relevant part that Competitive Load Zones and NOIE Load Zones may be added, deleted, or changed only when approved by the ERCOT Board.
- Competitive and NOIE Load Zone changes are effective 48 months following the month of Board approval.

Key Takeaway: ERCOT staff recommends the Board approve the addition of the Hamilton County Electric Cooperative load into LCRA's Load Zone pursuant to Protocol Section 3.4.

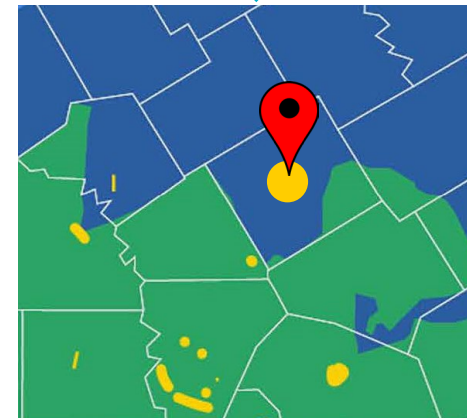
Load Zone Change for Hamilton County Load

LCRA recently contracted to serve 20 MW of Hamilton County Electric Cooperative load, and therefore requested the transition of that load to the LCRA NOIE Load Zone



Current:

Loads are currently associated with North Load Zone



Proposed Change:

Loads to be transitioned to the LCRA NOIE Load Zone



Date: October 10, 2023
To: Board of Directors
From: Chad V. Seely, Senior Vice President, General Counsel and Corporate Secretary
Subject: Load Zone Changes – Request of Lower Colorado River Authority

Issue for the ERCOT Board of Directors

ERCOT Board of Directors Meeting Date: October 17, 2023

Item No.: 10

Issue:

Whether the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) should approve the request of Lower Colorado River Authority (LCRA) to transfer load from a Competitive Load Zone to its Non-Opt-In Entity (NOIE) Load Zone.

Background/History:

As part of the Amended Chapter 11 Plan of Reorganization of Brazos Electric Power Cooperative, Inc. (Brazos) that was confirmed by the United States Bankruptcy Court for the Southern District of Texas, Brazos was required to terminate its registration as a Load Serving Entity (LSE). Brazos timely terminated its LSE registration on March 1, 2023. All of the loads of Brazos' various members were transferred to other LSEs in advance of the termination.

One such load, the Hamilton County Electric Cooperative load, has contracted with LCRA for the provision of wholesale service. This load was assigned to a Competitive Load Zone when it was served by Brazos. On August 30, 2023, LCRA requested the Hamilton County Electric Cooperative load be moved into the LCRA Load Zone, which is a NOIE Load Zone.

Key Factors Influencing Issue:

Paragraph (1) of Protocol Section 3.4.2, Load Zone Modifications, provides in relevant part that Competitive Load Zones and NOIE Load Zones may be added, deleted, or changed only when approved by the Board. Section 3.4.2(1) also provides that approved additions, deletions, or changes go into effect 48 months after the end of the month in which the addition, deletion, or change was approved.

Paragraph (1)(d) of Protocol Section 3.4.3, NOIE Load Zones, provides that "NOIEs may participate in only one NOIE Load Zone, and all Loads served by that NOIE must be contained within that Load Zone."

Some of the Hamilton County Electric Cooperative load is already being served by LCRA. Moving the remainder into the LCRA Load Zone would promote efficiency, and is consistent with the mandate of Protocol Section 3.4.3(1)(d).



Conclusion/Recommendation:

ERCOT staff recommends that the Board approve the addition of the Hamilton County Electric Cooperative load into LCRA's Load Zone, pursuant to Protocol Section 3.4.2(1).



ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.
BOARD OF DIRECTORS RESOLUTION

WHEREAS, LCRA has contracted to serve the remainder of the Hamilton County Electric Cooperative load, which is currently assigned to a Competitive Load Zone,

WHEREAS, LCRA has requested the remainder of the Hamilton County Electric Cooperative load be moved into the LCRA Load Zone, a NOIE Load Zone;

WHEREAS, Section 3.4.2, Load Zone Modifications, of the Electric Reliability Council of Texas, Inc. (ERCOT) Protocols provides that Competitive Load Zones and NOIE Load Zones may be added, deleted, or changed, only when approved by the ERCOT Board of Directors (Board);

WHEREAS, ERCOT staff recommends the addition of the Hamilton County Electric Cooperative load to LCRA's Load Zone; and

WHEREAS, after due consideration of the alternatives, the Board deems it appropriate to approve the addition of the remainder of the Hamilton County Electric Cooperative load to the LCRA Load Zone;

THEREFORE, BE IT RESOLVED, that the addition of the Hamilton County Electric Cooperative load into the LCRA Load Zone is hereby approved.

CORPORATE SECRETARY'S CERTIFICATE

CORPORATE SECRETARY'S CERTIFICATE

I, Jonathan M. Levine, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its October 17, 2023 meeting, the Board passed a motion approving the above Resolution by _____.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of October, 2023.

Jonathan M. Levine
Assistant Corporate Secretary