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| NPRR Number | [1202](https://www.ercot.com/mktrules/issues/NPRR1202) | NPRR Title | Refundable Deposits for Large Load Interconnection Studies |
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| Date | | October 1, 2024 | |
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| Submitter’s Information | | | |
| Name | | Bob Wittmeyer | |
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| Company | | Longhorn Power | |
| Phone Number | | 512-762-8895 | |
| Cell Number | |  | |
| Market Segment | | Not applicable | |

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| Comments |

Longhorn Power submits these comments to Nodal Protocol Revision Request (NPRR) 1202 to address concerns raised by ERCOT.

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| Revised Cover Page Language |

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| NPRR Number | [1202](https://www.ercot.com/mktrules/issues/NPRR1202) | NPRR Title | Fees for Large Load Interconnection Studies |
| Nodal Protocol Sections Requiring Revision | | 2.1, Definitions  3.24, Fees for Large Load Interconnection Studies (new)  ERCOT Fee Schedule | |
| Justification of Reason for Revision and Market Impacts | | ERCOT’s Large Load interconnection queue’s apparent size has attracted significant attention from the general public, but active participants at the Large Flexible Load Task Force (LFLTF) have stated that the queue probably contains proposed projects that will never be built. In order to rationalize the queue and help plan for these interconnected projects, stakeholders from both the generation and load side have repeatedly asked for a mechanism to filter the interconnection queues.  Stakeholders have expressed a willingness to fully fund the resource integration team at ERCOT through increased fees, **if** ERCOT will dedicate a portion of those fees to expediting all interconnections in the queue. A way to do this would be to dedicate a significant portion of the fee increase to funding both staff and associated systems designed to shorten the interconnection timeline. Stakeholders also recognize that the addition of loads or generation impact a number of departments outside of resource integration including, load forecasting, development of the Report on Capacity, Demand and Reserves in the ERCOT Region (CDR), Congestion Revenue Right (CRR) Auctions, etc... By increasing the fees on new interconnections ERCOT will be able to provide additional funding to those areas as well thereby easing pressure on the standard ERCOT fee for the addition of these resources. | |

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| Market Rules Notes |

Please note that the baseline Protocol language in the following section(s) has been updated to reflect the incorporation of the following NPRR(s) into the Protocols:

* NPRR1153, ERCOT Fee Schedule Changes (unboxed 12/20/23)
  + ERCOT Fee Schedule
* NPRR1175, Revisions to Market Entry Financial Qualifications and Continued Participation Requirements (incorporated 11/1/23)
  + ERCOT Fee Schedule
* NPRR1233, Modification of Weatherization Inspection Fees on the ERCOT Fee Schedule (incorporated 10/1/24)
  + ERCOT Fee Schedule

Please note that the following NPRR(s) also propose revisions to the following section(s):

* NPRR1234, Interconnection Requirements for Large Loads and Modeling Standards for Loads 25 MW or Greater
  + Section 2.1
  + ERCOT Fee Schedule
* NPRR1242, Related to VCMRR042, SO2 and NOx Emission Index Prices Used in Verifiable Cost Calculations
  + ERCOT Fee Schedule

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| Revised Proposed Protocol Language |

**2.1 Definitions**

**Large Load**

One or more Facilities at a single site with an aggregate peak Demand greater than or equal to 75 MW behind one or more common Points of Interconnection (POIs) or Service Delivery Points.

**Large Load Interconnection Study (LLIS)**

The set of studies conducted by a Transmission Service Provider (TSP) for the purpose of identifying any electric system improvements or enhancements required to reliably interconnect a Customer with a Large Load meeting the requirements of Planning Guide Section 8.2.2, Applicability. These studies may include steady-state studies, system protection (short-circuit) studies, dynamic and transient stability studies, facility studies, and sub-synchronous oscillation studies.

**3.24 Fees for Large Load Interconnection Studies**

(1) ERCOT shall assess a fee to initiate a Large Load Interconnection Study (LLIS), or for any similar studies that are already in progress on January 1, 2025.

(2) On the first Business Day of each quarter that the Large Load associated with the study which has been approved but not yet energized, ERCOT shall assess an additional fee to the Entity responsible for the LLIS.

(3) If a fee is not paid within 30 days of its due date, planning associated with the LLIS shall cease, and ERCOT may remove the LLIS from any future planning studies or reports.

**ERCOT Fee Schedule**

***TBD***

The following is a schedule of ERCOT fees currently in effect. These fees are not refundable unless ERCOT Protocols provide otherwise.

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| **Description** | **Nodal Protocol Reference** | **Calculation/Rate/Comment** |
| Private Wide Area Network (WAN) fees | 9.16.2 | Actual costs of procuring, using, maintaining, and connecting to the third-party communications networks and related hardware that provide ERCOT WAN communications. The portion of costs for ERCOT’s work regarding an initial installation or reconfiguration of an existing installation will not exceed $7,000. The portion of the monthly network management fee for ERCOT’s work will not exceed $450 per month. |
| ERCOT Load Resource Registration and Generator Interconnection or Modification fees | NA | $500 for registration of a new Load Resource.  If a Resource Entity seeks to increase the MW size of an existing Load Resource by more than 20% or change the Load Resource’s registration between non-Controllable Load Resource and Controllable Load Resource, it will incur a registration fee of $500.  The term “generator,” as used in this fee schedule relating to interconnection fees and Full Interconnection Study (FIS) Application fees, includes Generation Resources, Energy Storage Resources (ESRs), and Settlement Only Generators (SOGs) but, as reflected below, Settlement Only Distribution Generators (SODGs) will incur a different fee amount than transmission connected SOGs. The following fee amounts apply for the registration of a new generator:  $2,300 for SODGs;  $8,000 for generators that are less than 10 MW (other than SODGs); and  $25,000 for generators that are 10 MW or greater.  If a Resource Entity for an existing SODG seeks to change its registration to a Distribution Generation Resource (DGR) it will incur a registration fee of $8,000.  If a Resource Entity seeks to make a modification that is covered by paragraph (1)(c) of Planning Guide Section 5.2.1, Applicability, to an existing generator it will incur a registration fee in association with the modification request. If, at the time the modification is submitted, the cumulative MW amount of the modification and any other modifications that have been submitted for that generator within the last 12 months amount to less than 10 MW, the registration fee will be $5,000. If, at the time the modification is submitted, the cumulative MW amount of the modification and any other modifications that have been submitted for that generator within the last 12 months amount to 10 MW or greater, the registration fee will be $25,000. |
| Full Interconnection Study (FIS) Application fee | NA | $25,000 for an FIS Application relating to a new generator.  $15,000 for an FIS Application relating to modification of an existing generator. |
| Qualified Scheduling Entity (QSE) Application fee | 9.16.2 | $500 per Entity |
| Subordinate QSE (Sub-QSE) Application fee | 9.16.2 | $500 per Sub-QSE |
| Large Load Interconnection Study (LLIS) fee | NA | $25,000 |
| Recurring fees for Large Load Interconnection | 3.24 | $5,000 per quarter until energization |
| Competitive Retailer (CR) Application fee | 9.16.2 | $500 per Entity |
| Congestion Revenue Right (CRR) Account Holder Application fee | 9.16.2 | $500 per Entity |
| Independent Market Information System Registered Entity (IMRE) fee | 9.16.2 | $500 per Entity |
| Resource Entity Application fee | 9.16.2 | $500 per Entity |
| Transmission and/or Distribution Service Providers (TDSPs) | 9.16.2 | $500 per Entity |
| Counter-Party Background Check fee | 9.16.2 | $350 per Principal |
| Weatherization Inspection fees | NA | Resource Entities with Generation Resources or ESRs and Transmission Service Providers (TSPs) shall pay fees to ERCOT for costs related to weatherization inspections conducted pursuant to 16 Texas Administrative Code (TAC) § 25.55, Weather Emergency Preparedness, as provided below.  TSPs shall pay an inspection fee of $4,500 for each of their substations or switching stations that are inspected.  Each Resource Entity to which this Section applies, other than those that own or control Generation Resources and ESRs that are federally owned, shall pay an inspection fee calculated as the Semiannual Generation Resource Inspection Costs \* (Resource Entity MW Capacity/Aggregate MW Capacity). ERCOT will perform this calculation twice per calendar year and gather the necessary MW capacity data for that six-month period on one of the last 15 Business Days at the end of the period. Terms used in this formula are defined as follows:  Semiannual Generation Resource Inspection Costs for purposes of this Section equals the sum of outside services costs, ERCOT internal costs, and overhead costs related to weatherization inspections, less inspection fees that will be invoiced to TSPs and Resource Entities with Generation Resources and ESRs that are federally owned, for that six-month period.  Resource Entity MW Capacity for purposes of this Section equals the total MW capacity (using real power rating) associated with a Resource Entity with Generation Resources or ESRs.  Aggregate MW Capacity for purposes of this Section equals the total MW capacity (using real power rating) of all the Resource Entities, other than Generation Resources and ESRs that are federally owned.  Resource Entities with Generation Resources and ESRs that are federally owned shall pay an inspection fee of $4,500 for each of the Resources that are inspected.  ERCOT will issue Invoices semiannually in the months of January and July for the preceding six-month period to the Resource Entities and TSPs that owe inspection fees. Payment of the fee will be due within 30 days of the Invoice date and late payments will incur 18% annual interest. Entities that fail to pay their Invoice on time will be publicly reported in a filing with the Public Utility Commission of Texas (PUCT). Further payment terms and instructions will be included on the Invoice. |
| Recurring fees for Generation Interconnection |  | $5,000 per quarter until energization |
| Voluminous Copy fee | NA | $0.15 per page in excess of 50 pages |
| Actual Costs associated with Information Requests | NA | ERCOT will provide an estimate to the requestor of any vendor or third-party costs ERCOT deems appropriate to fulfill the information request. If the requestor approves the cost estimate, the requestor must pay all such costs as instructed by ERCOT before the information will be delivered to the requestor. |
| ERCOT Labor Costs for Information Requests | NA | $50 per hour of ERCOT time.  If ERCOT determines that a request will involve a substantial burden on ERCOT employee or contractor time to fulfill the request, ERCOT will provide an estimate to the requestor of the anticipated labor costs. If the requestor approves the cost estimate, the requestor must pay all such labor costs as instructed by ERCOT before the information will be delivered to the requestor. |
| ERCOT Training fees for courses that award Continuing Education Hours (CEHs) | NA | $25 per North American Electric Reliability Corporation (NERC) CEH.  Examples of such trainings include, without limitation, the Operator Training Seminar and Black Start Training. |
| Cybersecurity Monitor fee for Non-ERCOT Utilities that participate in the Texas Cybersecurity Monitor Program | NA | The Cybersecurity Monitor fee amount varies from year to year. The current fee amount is posted on ERCOT’s website here:  <https://www.ercot.com/services/programs/tcmp> |