

CHAPTER 25. SUBSTANTIVE RULES APPLICABLE TO ELECTRIC SERVICE PROVIDERS

Subchapter O. UNBUNDLING AND MARKET POWER.

DIVISION 2. INDEPENDENT ORGANIZATIONS.

§25.361. Electric Reliability Council of Texas (ERCOT).

- (a) **Applicability.** This section applies to the Electric Reliability Council of Texas (ERCOT). It also applies to transmission service providers (TSPs) and transmission service customers, as defined in §25.5 of this title (relating to Definitions), with respect to interactions with ERCOT. For the purpose of this section and §25.362 of this title (relating to Electric Reliability Council of Texas (ERCOT) Governance), an ERCOT rule is a market protocol, operating guide, market guide, or other procedure that constitutes a statement of general policy and that has an impact on the governance of the organization or on reliability, settlement, customer registration, or access to the transmission system in the ERCOT region.
- (b) **Functions.** ERCOT shall perform the functions of an independent organization under the Public Utility Regulatory Act (PURA) §39.151 to ensure access to the transmission and distribution systems for all buyers and sellers of electricity on nondiscriminatory terms; ensure the reliability and adequacy of the regional electrical network; ensure that information relating to a customer's choice of retail electric provider is conveyed in a timely manner to the persons who need that information; and ensure that electricity production and delivery are accurately accounted for among the generators and wholesale buyers and sellers in the region. ERCOT shall:
- (1) administer, on a daily basis, the operational and market functions of the ERCOT system, including procuring and deploying ancillary services, scheduling resources and loads, and managing transmission congestion, as set forth in this chapter, commission orders, and ERCOT rules;
 - (2) administer settlement and billing for services provided by ERCOT, including assessing creditworthiness of market participants and establishing and enforcing reasonable security requirements in relation to their responsibilities under ERCOT rules;
 - (3) serve as the single point of contact for the initiation of transmission services;
 - (4) maintain the reliability and security of the ERCOT region's electrical network, including the instantaneous balancing of ERCOT generation and load and monitoring the adequacy of resources to meet demand;
 - (5) provide for non-discriminatory access to the transmission system, consistent with this chapter, commission orders, and ERCOT rules;
 - (6) accept and supervise the processing of all requests for interconnection to the ERCOT transmission system from owners of new generating facilities;
 - (7) coordinate and schedule planned transmission facility outages;
 - (8) perform system screening security studies, with the assistance of affected TSPs;
 - (9) plan the ERCOT transmission system, in accordance with this section;
 - (10) establish and administer procedures for the registration of market participants;
 - (11) manage and operate the customer registration system;
 - (12) administer the renewable energy program, unless the commission designates a different person to administer the program;
 - (13) monitor generation planned outages;
 - (14) disseminate information relating to market operations, market prices, and the availability of services, in accordance with this chapter, commission orders, and the ERCOT rules;
 - (15) operate an electronic transmission information network; and
 - (16) perform any additional duties required under this chapter, commission orders, and ERCOT rules.
- (c) **Liability.** ERCOT shall not be liable in damages for any act or event that is beyond its control and which could not be reasonably anticipated and prevented through the use of reasonable measures, including, but not limited to, an act of God, act of the public enemy, war, insurrection, riot, fire, explosion, labor disturbance or strike, wildlife, unavoidable accident, equipment or material shortage,

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breakdown or accident to machinery or equipment, or good faith compliance with a then valid curtailment, order, regulation or restriction imposed by governmental, military, or lawfully established civilian authorities.

- (d) **Planning.** ERCOT shall conduct transmission system planning and exercise comprehensive authority over the planning of bulk transmission projects that affect the transfer capability of the ERCOT transmission system. ERCOT shall supervise and coordinate the other planning activities of TSPs.
 - (1) ERCOT shall evaluate and make a recommendation to the commission as to the need for any transmission facility over which it has comprehensive transmission planning authority.
 - (2) A TSP shall coordinate its transmission planning efforts with those of other TSPs, insofar as its transmission plans affect other TSPs.
 - (3) ERCOT shall submit to the commission any revisions or additions to the planning guidelines and procedures prior to adoption. ERCOT may seek input from the commission as to the content and implementation of its guidelines and procedures as it deems necessary.
- (e) **Information and coordination.** Transmission service providers and transmission service customers shall provide such information as may be required by ERCOT to carry out the functions prescribed by this chapter, commission orders, and ERCOT rules. ERCOT shall maintain the confidentiality of competitively sensitive information and other protected information, as specified in §25.362 of this title. Providers of transmission and ancillary services shall maintain the confidentiality of competitively sensitive information entrusted to them by ERCOT or a transmission service customer.
- (f) **Interconnection standards.** ERCOT may prescribe reliability and security standards for the interconnection of generating facilities that use the ERCOT transmission network. Such standards shall not adversely affect or impede manufacturing or other internal process operations associated with such generating facilities, except to the minimum extent necessary to assure reliability of the ERCOT transmission network.
- (g) **ERCOT administrative fee.** ERCOT shall charge an administrative fee, and the fees it charges are subject to commission approval, in accordance with this chapter.
- (h) **Reports.** Each TSP and transmission service customer in the ERCOT region shall on an annual basis provide to ERCOT historical information concerning peak loads and resources connected to the TSP's system.
- (i) **Anti-trust laws.** The existence of ERCOT is not intended to affect the application of any state or federal anti-trust laws.
- (j) **Decertification.** ERCOT shall be subject to decertification as an independent organization in accordance with §25.364 of this title (relating to Decertification of an Independent Organization).