



## **87<sup>th</sup> Legislative Session – ERCOT Status**



ERCOT Public  
February 2023

This document summarizes ERCOT's progress in implementing statutory requirements that affect the organization and arise from legislation adopted by the 87<sup>th</sup> Legislature in 2021.





Please note this document does not address the legislative obligations or implementation activities of other organizations, such as, but not limited to, the Public Utility Commission of Texas, the Railroad Commission of Texas, and ERCOT Market Participants.

By its nature, this document is a high-level snapshot and may be subject to correction. From time to time, this document will be updated to reflect changes since the last publication, as ERCOT continues to implement legislation, as well as other directives from State leadership.



**Texas Budget:** SB 1 is the General Appropriations Act. It includes appropriating State funds for the Public Utility Commission (PUC) and requires the PUC to study and provide specified reports to the Legislature.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Support PUC study and development of report regarding load shed protocols in ERCOT	9/1/22	Hobbs, Woodfin	<ul style="list-style-type: none"> <li>• Page VIII-53 of SB 1 (not codified)</li> </ul>
 Complete	Support PUC study and development of section of Biennial Report regarding ERCOT interconnections to the Eastern Interconnect, Western Interconnect, and Mexico	1/15/23	Hobbs, Rickerson	<ul style="list-style-type: none"> <li>• Page VIII-53 of SB 1 (not codified)</li> <li>• PURA § 12.203</li> <li>• PUC Project No. 53157 and 54037</li> </ul>




**Governance:** SB 2 in part relates to the governance of the PUC, the Office of Public Utility Counsel (OPUC), and ERCOT as an independent organization certified to manage a power region. Changes included modifying the selection and composition of the ERCOT Board of Directors and requiring PUC approval of a market impact statement before new or revised ERCOT Protocols may take effect.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Implement process to ensure ERCOT receives Commission approval before Protocols take effect	7/15/21	Hobbs	<ul style="list-style-type: none"> <li>• PURA § 39.151(d), (g-1), (g-6)</li> <li>• PUC Projects Nos. 52307 (CY21) and 52934 (CY22)</li> </ul>
 In Progress	Upon PUC rule change, update Protocols to reflect Commission-approval process	6/1/23	Hobbs	<ul style="list-style-type: none"> <li>• PURA § 39.151(d), (g-1), (g-6)</li> <li>• PUC Projects Nos. 52307 (CY21) and 52934 (CY22)</li> <li>• NPRR1157</li> </ul>
 Complete	Update bylaws to align with corporate governance requirements from SB 2 and seek approval	10/20/21	Seely	<ul style="list-style-type: none"> <li>• PURA § 39.151(g)</li> <li>• PURA § 39.1513</li> <li>• PUC Project No. 52683</li> </ul>
 Complete	Update ERCOT governing documents to reflect the Board controls these documents and make other changes	12/20/22	Seely	<ul style="list-style-type: none"> <li>• PURA § 39.151(g)</li> <li>• PURA § 39.1513</li> </ul>




**SB 3, Section 1, Power Outage Alert:** The Texas Department of Public Safety (DPS), with the cooperation of the Texas Department of Transportation, the Texas Division of Emergency Management (TDEM), the Office of the Governor, and the PUC will develop and implement an alert system that DPS will activate when the power supply in Texas may be inadequate to meet demand. This alert will be activated regionally or statewide. The PUC will adopt a rule with criteria for content, activation, and termination of the alert.

Status		ERCOT Action Item	Completion Date	Accountable Executive(s)	References
	Complete	Monitor and participate in PUC rulemaking, regarding the criteria for a Power Outage Alert	5/26/22	Woodfin	<ul style="list-style-type: none"> <li>• Tex. Gov't Code § 411.301(b)</li> <li>• PUC Project No. 52287</li> <li>• PUC Subst. R. 25.57</li> </ul>
	Complete	Modify procedures to provide notification to PUC that load shed is imminent or occurring under new PUC rule 25.57	6/15/22	Hobbs, Woodfin	<ul style="list-style-type: none"> <li>• Tex. Gov't Code §§ 411.301(b), 411.302(b), 411.305(a), 411.307</li> <li>• PUC Project No. 52287</li> <li>• PUC Subst. R. 25.57</li> </ul>


**SB 3, Section 3, Texas Energy Reliability Council (TERC):** TERC will provide a forum for TDEM; the Railroad Commission (RRC); the PUC; OPUC; the Texas Commission on Environmental Quality; the Texas Transportation Commission; ERCOT; and energy, electric, and industrial representatives to ensure the Texas energy and electric industries meet high-priority human needs, address critical infrastructure concerns, and enhance coordination and communication among their industries.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	ERCOT representative is designated and participates as a member in TERC	Ongoing	Vegas	• Tex. Gov't Code §§ 418.303(a)(6), and (b)
 In Progress	Evaluate existing internal processes for ERCOT Critical Energy Infrastructure Information (ECEII) for any modifications	February 2023	Seely	• Tex. Gov't Code § 418.309(b)
 Complete	After publication, review TERC report on the reliability and stability of the electricity supply chain in Texas. The report is due by November 1st of all even-numbered years. Then, determine if ERCOT actions are warranted	12/2/22	Woodfin	• Tex. Gov't Code § 418.310

**SB 3, Sections 4 and 16 and HB 3648, Critical Natural Gas Facilities and Entities:** The RRC and PUC will collaborate to adopt rules establishing a process for designating certain natural gas facilities and entities associated with providing natural gas in Texas as critical customers or critical gas suppliers during an energy emergency.





Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Monitor and participate in PUC and RRC rulemakings regarding the designation of certain natural gas facilities and entities associated with providing natural gas in Texas as critical customers, critical gas suppliers, or critical natural gas facilities during an energy emergency.	12/20/21	Rickerson	<ul style="list-style-type: none"> <li>• Natural Resources Code § 81.073</li> <li>• PURA § 38.074</li> <li>• PUC Project No. 52345</li> <li>• RRC Subst. R. 3.65</li> <li>• PUC Subst. R. 25.52</li> </ul>
 In Progress	Monitor PUC Project regarding Review of Critical Load Standards and Processes to determine if there are ERCOT action items	TBD	Rickerson	<ul style="list-style-type: none"> <li>• PURA § 38.074</li> <li>• PUC Project No. 51888</li> </ul>
 Complete	Adopt NPRR1087 that prohibits Critical Loads from acting as Load Resources or Emergency Response Service (ERS) Resources	10/28/21	Ögelman	<ul style="list-style-type: none"> <li>• NPRR1087</li> </ul>

**SB 3, Sections 4 and 16 and HB 3648, Critical Natural Gas Facilities and Entities:** The RRC and PUC will collaborate to adopt rules establishing a process for designating certain natural gas facilities and entities associated with providing natural gas in Texas as critical customers or critical gas suppliers during energy emergencies.



	Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
	Complete	Implement NPRR1087, Prohibit Participation of Critical Loads as Load Resources or Emergency Response Service Resources, which was approved by PUC on 10/28/21	12/20/21	Ögelman	• NPRR1087






**SB 3, Sections 13 and 16, Weather Emergency Preparedness:** The PUC shall adopt rules that establish weatherization reliability standards for specified providers of electric-generation or transmission service. ERCOT shall inspect generation and transmission facilities in the ERCOT power region for compliance with these PUC standards, provide reasonable time to remedy violations, and report violations to the PUC.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Monitor and participate in PUC Phase 1 rulemaking, regarding weather emergency preparedness	10/21/21	Rickerson	<ul style="list-style-type: none"> <li>• PURA §§ 35.0021, 38.075</li> <li>• PUC Project No. 51840 - Phase 1</li> <li>• PUC Subst. R. 25.55</li> </ul>
 Complete	Establish Weatherization Department at ERCOT	10/11/21	Rickerson	<ul style="list-style-type: none"> <li>• PURA §§ 35.0021, 38.075</li> <li>• PUC Project No. 51840 - Phase 1</li> <li>• PUC Subst. R. 25.55</li> </ul>
 Complete	Conduct Winter 2021 weatherization inspections and report violators to PUC	12/22/21	Rickerson	<ul style="list-style-type: none"> <li>• PURA §§ 35.0021, 38.075</li> <li>• PUC Project No. 51840 - Phase 1</li> <li>• PUC Subst. R. 25.55</li> </ul>
 Complete	Establish ongoing processes to conduct seasonal weatherization inspections and report violators	Ongoing	Rickerson	<ul style="list-style-type: none"> <li>• PURA § 35.0021</li> <li>• PUC Project No. 51840 - Phase 1</li> <li>• PUC Project No. 53401 - Phase 2</li> <li>• PUC Subst. R. 25.55</li> </ul>





**SB 3, Sections 13 and 16, Weather Emergency Preparedness:** The PUC shall adopt rules that establish weatherization reliability standards for specified providers of electric-generation or transmission service. ERCOT shall inspect generation and transmission facilities in the ERCOT power region for compliance with these PUC standards, provide reasonable time to remedy violations, and report violations to the PUC.

	Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
	Complete	Monitor and participate in PUC Phase 2 rulemaking, regarding weather emergency preparedness, until complete	10/21/22	Rickerson	<ul style="list-style-type: none"> <li>• PURA § 35.0021</li> <li>• PUC Project No. 51840 - Phase 1</li> <li>• PUC Project No. 53401 - Phase 2</li> <li>• PUC Subst. R. 25.55</li> </ul>
	Complete	When PUC Phase 2 rulemaking is complete, hire additional staff in Weatherization Department to support Phase 2 requirements	12/1/22	Rickerson	<ul style="list-style-type: none"> <li>• PURA §§ 35.0021(c)(1)-(3), 35.0021(c-1), 38.075(b)(1)-(3), (c)</li> <li>• PUC Project No. 52786 - Generation</li> <li>• PUC Project No. 52787 – Transmission</li> </ul>




**SB 3, Section 13, Weather Emergency Preparedness:** ERCOT shall review, coordinate, and approve or deny any requests, by specified providers of electric generation service, for planned outages.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Adopt Protocol changes necessary to approve or deny all planned outages for generation service	5/12/22	Woodfin	<ul style="list-style-type: none"> <li>• PURA § 35.0021(f)</li> <li>• NPRR1108</li> </ul>
 Complete	Adopt Methodology for Calculating Maximum Daily Resource Planned Outage Capacity	6/21/22	Woodfin	<ul style="list-style-type: none"> <li>• PURA § 35.0021(f)</li> </ul>
 Complete	Implement NPRR1108, ERCOT Shall Approve or Deny All Resource Planned Outage Requests, which was approved by PUC on 5/12/22	8/16/22	Woodfin	<ul style="list-style-type: none"> <li>• PURA § 35.0021(f)</li> <li>• NPRR1108</li> </ul>




**SB 3, Section 14, Review of Wholesale Market Design:** The PUC shall review the type, volume, and cost of Ancillary Services (AS) to determine whether they will continue to meet the needs of the electricity market and evaluate whether additional services are needed for reliability while providing adequate incentives for dispatchable generation. ERCOT shall modify AS design, procurement, and cost allocation consistent with cost-causation principles and on a nondiscriminatory basis.

	Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
	In Progress	Monitor and participate in PUC projects, regarding ERCOT wholesale market redesign, until complete	TBD	Ögelman, Woodfin	<ul style="list-style-type: none"> <li>• PURA § 35.004(g) and (h)</li> <li>• PUC Project No. 52373</li> </ul>
	Complete	Update Ancillary Service Methodology to include the process for determining Non-Spin Reserve Service (NSRS) and Responsive Reserve Service (RRS)	1/1/22	Ögelman, Woodfin	<ul style="list-style-type: none"> <li>• PURA § 35.004(g) and (h)</li> <li>• PUC Project No. 52373</li> </ul>
	Complete	Procure additional NSRS to support conservative operations	Ongoing	Woodfin	<ul style="list-style-type: none"> <li>• PURA § 35.004(g) and (h)</li> <li>• PUC Project No. 52373</li> </ul>
	Complete	Adopt Protocol and other rule changes to allow Load Resources that are not Controllable Load Resources to provide NSRS so additional capacity is available to ERCOT Operators	10/28/21	Ögelman, Woodfin	<ul style="list-style-type: none"> <li>• NPRR1093, NOGRR232, OBDRR032, OBDRR033</li> </ul>




**SB 3, Section 14, Review of Wholesale Market Design:** The PUC shall review the type, volume, and cost of Ancillary Services (AS) to determine whether they will continue to meet the needs of the electricity market and evaluate whether additional services are needed for reliability while providing adequate incentives for dispatchable generation. ERCOT shall modify AS design, procurement, and cost allocation consistent with cost-causation principles and on a nondiscriminatory basis.

	Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
	Complete	Implement NPRR1093, Load Resource Participation in NSRS and related Revision Requests, which was approved by PUC on 10/28/21	5/26/22	Ögelman, Woodfin	<ul style="list-style-type: none"> <li>• NPRR1093, NOGRR232, OBDRR032, OBDRR033</li> </ul>
	Complete	Implement Fast Frequency Response (FFR) Advancement enhancement	10/13/22	Ögelman, Woodfin	<ul style="list-style-type: none"> <li>• PURA § 35.004(g) and (h)</li> <li>• PUC Project No. 52373</li> <li>• NPRR863</li> </ul>
	In Progress	Implement ERCOT Contingency Reserve Service (ECRS) enhancement	7/1/23	Ögelman, Woodfin	<ul style="list-style-type: none"> <li>• PURA § 35.004(g) and (h)</li> <li>• PUC Project No. 52373</li> <li>• NPRR863</li> </ul>





**SB 3 Section 16, Involuntary Load Shedding:** PUC shall establish by rule involuntary load-shed provisions for transmission service providers during an energy emergency. The PUC and ERCOT shall conduct simulated or tabletop load shedding exercises at least twice a year with at least one during a summer month and at least one during a winter month.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 In Progress	Monitor and participate in PUC project, regarding Critical Load Standards and Processes, until complete	TBD	Rickerson, Woodfin	<ul style="list-style-type: none"> <li>• PURA § 38.076(a)</li> <li>• Project No. 51888</li> </ul>
 Not Started	After adoption of any PUC rule changes regarding critical load standards and processes, determine if there are ERCOT action items	TBD	Rickerson, Woodfin	<ul style="list-style-type: none"> <li>• PURA § 38.076(a)</li> <li>• Project No. 51888</li> </ul>
 Complete	<p>Conduct simulated or tabletop load shedding exercises as part of semi-annual training activities</p> <p>First conducted for Winter 21/22 and will continue at least every following summer and winter</p>	Ongoing	Woodfin	<ul style="list-style-type: none"> <li>• PURA § 38.077(a), (b)</li> </ul>

**SB 3, Section 17, Texas Electricity Supply Chain Security and Mapping Committee:** Established to map Texas's electricity supply chain; identify critical infrastructure sources in the electricity supply chain; establish best practices to prepare facilities that provide electric or natural gas service in the electricity supply chain to maintain service in extreme weather and recommend oversight and compliance standards for those facilities; and designate priority service needs to prepare for, respond to, and recover from extreme weather.




Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	ERCOT CEO is a member of the Mapping Committee	Ongoing	Vegas	• PURA § 38.201(c)(3)
 Complete	Provide staff, information and expertise as needed	Ongoing	Rickerson	• PURA §§ 38.202(d), 38.203(a)(3), 38.204(a)(2)
 Complete	Review Map of the State's Electricity Supply and Best Practices Report	5/31/22	Rickerson	• PURA § 38.204

**SB 3, Section 18, Dispatchable Generation:** ERCOT must establish requirements to meet the reliability needs of the power region; at least annually determine quantities and characteristics of Ancillary Services (AS) or reliability services necessary for reliability during extreme heat, extreme cold, and times of low non-dispatchable power production; procure AS or reliability services on a competitive basis for reliability during the same; develop appropriate qualification and performance requirements and penalties for such services; and size such services to prevent prolonged rotating outages due to net load variability in high demand and low supply scenarios. For PURA § 39.159, a generation facility is considered non-dispatchable if its output is controlled primarily by forces outside of human control.





Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Implement procedures that require annual AS assessment and changes to methodology	Ongoing	Woodfin	<ul style="list-style-type: none"> <li>PURA § 39.159(a)(1)-(5)</li> <li>PUC Project No. 52373</li> </ul>
 Complete	Update Resource Integration prioritization	1/1/22	Rickerson	<ul style="list-style-type: none"> <li>PUC Project No. 52373</li> </ul>
 In Progress	File specification and design requirements for Voltage Support Service with PUC and continue to work with PUC as needed	TBD	Ögelman, Woodfin	<ul style="list-style-type: none"> <li>PURA § 39.159</li> <li>PUC Project No. 52373</li> </ul>
 In Progress	File specification and design requirements for Load-side Reliability Mechanism with PUC and continue to work with PUC as needed	TBD	Ögelman, Woodfin	<ul style="list-style-type: none"> <li>PURA § 39.159</li> <li>PUC Project No. 52373</li> </ul>








**SB 3, Section 18, Dispatchable Generation:** ERCOT must establish requirements to meet the reliability needs of the power region; at least annually determine quantities and characteristics of Ancillary Services (AS) or reliability services necessary for reliability during extreme heat, extreme cold, and times of low non-dispatchable power production; procure AS or reliability services on a competitive basis for reliability during the same; develop appropriate qualification and performance requirements and penalties for such services; and size such services to prevent prolonged rotating outages due to net load variability in high demand and low supply scenarios. For PURA § 39.159, a generation facility is considered non-dispatchable if its output is controlled primarily by forces outside of human control.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 In Progress	File specification and design requirements for any new reliability service for dispatchable Resources, if directed by the PUC, and continue to work with PUC as needed	TBD	Ögelman, Woodfin	<ul style="list-style-type: none"> <li>• PURA § 39.159</li> <li>• PUC Project No. 52373</li> </ul>
 In Progress	Adopt Protocol changes which provide Nodal settlement for Controllable Load Resources (CLRs)	TBD	Ögelman, Woodfin	<ul style="list-style-type: none"> <li>• PURA § 39.159</li> <li>• PUC Project No. 52373</li> </ul>
 In Progress	File specification and design requirements for new participation model for distributed generator or battery aggregations with PUC and continue to work with PUC as needed	TBD	Ögelman, Woodfin	<ul style="list-style-type: none"> <li>• PURA § 39.159</li> <li>• PUC Projects Nos. 52373, 51603, and 54233</li> <li>• PUC ADER Pilot Project No. 53911</li> </ul>




**SB 3, Section 18, Dispatchable Generation:** ERCOT must establish requirements to meet the reliability needs of the power region; at least annually determine quantities and characteristics of Ancillary Services (AS) or reliability services necessary for reliability during extreme heat, extreme cold, and times of low non-dispatchable power production; procure AS or reliability services on a competitive basis for reliability during the same; develop appropriate qualification and performance requirements and penalties for such services; and size such services to prevent prolonged rotating outages due to net load variability in high demand and low supply scenarios. For PURA § 39.159, a generation facility is considered non-dispatchable if its output is controlled primarily by forces outside of human control.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Adopt Protocol changes that creates a new reliability service, Firm Fuel Supply Service (FFSS)	3/31/22	Ögelman	<ul style="list-style-type: none"> <li>• PURA § 39.159(c)(2)</li> <li>• PUC Projects Nos. 52373 and 53298</li> <li>• NPRR1120, OBDRR039</li> </ul>
 Complete	Develop and Issue Request for Proposals to provide FFSS	6/30/22	Ögelman	<ul style="list-style-type: none"> <li>• PURA § 39.159(c)(2)</li> <li>• PUC Projects Nos. 52373 and 53298</li> <li>• NPRR1120, OBDRR039</li> </ul>
 Complete	Receive, analyze, and award proposals to provide FFSS	9/30/22	Ögelman	<ul style="list-style-type: none"> <li>• PURA § 39.159(c)(2)</li> <li>• PUC Projects Nos. 52373 and 53298</li> <li>• NPRR1120, OBDRR039</li> </ul>
 Complete	Implement FFSS system changes	10/13/22	Ögelman	<ul style="list-style-type: none"> <li>• PURA § 39.159(c)(2)</li> <li>• PUC Projects No. 52373 and 53298</li> <li>• NPRR1120, OBDRR039</li> </ul>


**SB 3, Sections 18 and 35, Wholesale Pricing Procedures:** PUC shall establish an emergency pricing program, including an Ancillary Services (AS) cap during emergency pricing; the low system-wide offer cap (LCAP) may not exceed the high system-wide offer cap (HCAP); and PUC shall review each system-wide offer cap at least once every five years.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Implement NPRR1106, Deployment of Emergency Response Service (ERS) Prior to Declaration of Energy Emergency Alert (EEA)	12/17/21	Ögelman	• PUC Project No. 52373
 Complete	Implement new parameters for ORDC: Minimum Contingency Level (MCL) to 3,000MW; HCAP & Value of Lost Load (VOLL) to \$5,000 per MWh, per PUC direction and rule changes	1/1/22	Ögelman	• PURA § 39.160(e) • PUC Project No. 52373 (See PUC Blueprint Order, Jan. 13, 2022)
 Complete	Monitor and participate in PUC rulemakings, regarding modifications to HCAP, LCAP, and VOLL	5/11/22	Ögelman	• PURA § 39.160(e) • PUC Projects Nos. 52373 and 53191
 Complete	Publish ORDC Analysis Report due in even-numbered years	10/31/22	Ögelman	• PUC Subst. R. 25.505
 In Progress	Monitor and participate in PUC rulemaking regarding emergency pricing	TBD	Ögelman	• PURA § 39.160 • PUC Project No. 54585


**SB 3, Sections 18 and 35, Wholesale Pricing Procedures:** PUC shall establish an emergency pricing program, including an Ancillary Services (AS) cap during emergency pricing; the low system-wide offer cap (LCAP) may not exceed the high system-wide offer cap (HCAP); and PUC shall review each system-wide offer cap at least once every five years.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Monitor and participate in PUC rulemaking regarding modifications to Emergency Response (ERS) program	8/4/22	Ögelman	<ul style="list-style-type: none"> <li>• PURA § 39.159(b)</li> <li>• PUC Project No. 53493</li> <li>• PUC Subst. R. 25.507</li> </ul>
 Complete	Adopt Protocol and other rule changes to increase the annual budget for the ERS program, allowing ERCOT flexibility to contract ERS for up to twenty-four hours	8/26/22	Ögelman	<ul style="list-style-type: none"> <li>• PURA § 39.159(b)</li> <li>• PUC Project No. 53493</li> <li>• PUC Subst. R. 25.507</li> <li>• NPRR1142</li> <li>• OBDRR042</li> </ul>
 Complete	Implement NPRR1142 and OBDRR042, ERS Changes to Reflect Updated PUCT Rule Changes re SUBST. R. 25.507	12/1/22	Ögelman	<ul style="list-style-type: none"> <li>• PURA § 39.159(b)</li> <li>• PUC Project No. 53493</li> <li>• NPRR1142</li> <li>• OBDRR042</li> </ul>




**SB 3, Section 19, Distributed Generation Reporting:** ERCOT shall require an owner or operator of distributed generation to register with ERCOT and the appropriate interconnecting TDU with information necessary for the interconnection of the distributed generator. This doesn't apply to distributed generation serving a residential property.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Register and interconnect Distribution Generation Resources (DGRs) at the distribution-level	Ongoing	Rickerson	<ul style="list-style-type: none"> <li>PURA § 39.9165(b) and (c)</li> </ul>



**SB 3, Section 21, Service Quality and Reliability of Certain Gas Pipeline Facilities:** The RRC shall adopt rules regarding measures an operator of certain gas pipeline facilities must implement to prepare to maintain service quality and reliability during extreme weather conditions. The gas pipeline facilities specified are those that directly serve a natural gas electric generation facility providing power in ERCOT and are included on the electricity supply chain map created under PURA § 38.203.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Monitor RRC rulemaking to determine if there are ERCOT action items	11/28/22	Rickerson	<ul style="list-style-type: none"> <li>• GURA § 121.2015</li> <li>• RRC rulemaking titled “Proposed New §3.66, relating to Weather Emergency Preparedness Standards”</li> </ul>

**SB 3, Sections 23 and 24 Weather Emergency Preparedness Reports:** The PUC will review the emergency operations plans (EOPs) by specified entities and, by September 30 of each even numbered year, submit a report on weather emergency preparedness to the Lieutenant Governor, Speaker of the House, and the Legislature.


Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Via Market Notices, notify entities that EOPs are required and provide instructions for their submission by 4/15/22	4/15/22	Seely	<ul style="list-style-type: none"> <li>• Tex. Util. Code § 186.007</li> <li>• PUC Project No. 51841</li> <li>• PUC Subst. R. 25.53</li> </ul>
 Complete	Disclose any received EOPs to PUC for inclusion in PUC report	Ongoing	Seely	<ul style="list-style-type: none"> <li>• Tex. Util. Code § 186.007</li> <li>• PUC Project No. 51841</li> <li>• PUC Subst. R. 25.53</li> </ul>
 Complete	Review Weather Emergency Preparedness Report published by September 30 of each even-numbered year	Ongoing	Rickerson	<ul style="list-style-type: none"> <li>• Tex. Util. Code § 186.007</li> </ul>

**SB 3, Section 33, State Energy Plan Advisory Committee State Energy Plan:** The State Energy Plan Advisory Committee consists of 12 members. (The Governor, Lt. Governor, and Speaker of the Texas House appoint 4 members each.) The Committee is tasked with providing to the Legislature, by Sept. 1, 2022, a State Energy Plan that provides specific evaluations and recommendations to improve the reliability, stability, and affordability of electric service in Texas.


Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Support development of State Energy Plan	9/1/22	Rickerson	• Section 33 of SB 3 (not codified)
 Complete	After publication of the State Energy Plan, determine if there are specific items that ERCOT needs to immediately address	10/15/22	Rickerson, Ögleman	• Section 33 of SB 3 (not codified)








**SB 3, Section 34, Conflicts of Interest for Commissioners and ERCOT Members of Governing Body:** Requires the PUC and ERCOT to annually review – and provide a report to the Legislature regarding – the statutes, rules, protocols, and bylaws that apply to conflicts of interest of PUC Commissioners and ERCOT Board members.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Work with PUC as required to review and report to Legislature annually	12/29/22	Seely	<ul style="list-style-type: none"> <li>Section 34 of SB 3 (refers to, but is not codified in PURA § 39.151)</li> </ul>




**Use of Electric Energy Storage Facilities in the ERCOT Power Region:** Transmission and Distribution Utilities may, with prior Commission approval, contract with Power Generation Companies for energy from an Energy Storage Facility for reliable distribution service. PUC shall review contracts and may authorize specified rate TDU rate treatment.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Not started	Monitor PUC rulemaking to determine if there are ERCOT action items or market or operational impacts	TBD	Woodfin, Ögelman	• PURA § 35.153




**Relating to sunset review process and certain government entities subject to that process:** Moved PUC Sunset date forward to 2023. Under PURA Section 39.151(n), ERCOT is subject to review when the PUC is reviewed.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Actively support Sunset Staff in their review and development of Sunset Staff report to the Sunset Commission	11/16/22	Seely, Hobbs	• PURA §§ 12.005 (PUC) and 39.151(n) (ERCOT)
 Complete	Review and respond to Sunset Staff's report	11/30/22	Seely, Hobbs	• PURA §§ 12.005 (PUC) and 39.151(n) (ERCOT)
 Complete	Actively support Sunset Commission's review and development of Sunset Commission report to the Legislature	November 2022 – February 2023	Seely, Hobbs	• PURA §§ 12.005 (PUC) and 39.151(n) (ERCOT)
 Complete	Review Sunset Commission's report	February 2023	Seely, Hobbs	• PURA §§ 12.005 (PUC) and 39.151(n) (ERCOT)
 Not Started	Actively support the Legislature in their review and consideration of Sunset-related legislation	February – May 2023	Seely	• PURA §§ 12.005 (PUC) and 39.151(n) (ERCOT)





**Relating to certificates of public convenience and necessity (CCN) for certain transmission projects:** Specifies certain transmission lines that do not require a CCN, directs factors PUC must consider for a reliability transmission project or an economic transmission project, and requires ERCOT to conduct a biennial assessment of the ERCOT grid's reliability in extreme weather scenarios.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	Monitor PUC rulemaking, regarding CCNs, to determine if there are ERCOT action items	12/21/22	Rickerson	<ul style="list-style-type: none"> <li>• PURA § 37.056 (c-1) and (d)</li> <li>• PUC Project No. 53403</li> </ul>
 Complete	<p>Evaluate requirement for biennial ERCOT assessments against existing ERCOT studies or assessments to determine if separate assessments or changes to existing assessments are required</p> <p>Establish date of first assessment</p>	12/21/22	Rickerson	<ul style="list-style-type: none"> <li>• PURA § 39.159</li> <li>• PUC Subst. R. 25.505</li> <li>• PUC Project No. 53403</li> </ul>
 Not Started	Participate in PUC project, regarding consumer congestion-cost-savings analysis	TBD	Rickerson	<ul style="list-style-type: none"> <li>• PURA § 37.052(d)</li> </ul>


**Electric cooperatives' use of securitization to address extraordinary costs and expenses created by Winter Storm Uri.** PURA chapter 41, subchapter D enables electric cooperatives to issue securitized bonds to finance the payment of extraordinary costs and expenses incurred during the period of emergency. Under sections added to PURA chapter 39, ERCOT shall report Market Participants (MPs) who fail to fully repay amounts incurred during the period of emergency. The PUC and ERCOT shall pursue full collection of amounts owed.

	Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
	Rayburn has securitized under SB1580 and ERCOT has distributed the short-paid amounts owed to previously short-paid MPs.	Upon receipt of the amount owed, ERCOT uses existing systems and processes to distribute previously short-paid MPs when an electric co-op securitizes to pay its outstanding obligations	N/A	Ögelman	• PURA § 41.151(b)(1), (b)(2)
	Complete	Report MP who is in default to PUC. Comply with PUC instructions regarding the handling of a defaulting MP	N/A	Seely	• PURA § 39.160(b)
	In Progress	ERCOT shall pursue full collection of amounts owed by defaulting MPs.	Ongoing	Seely, Ögelman	• PURA § 39.160(c)



**Relating to prohibiting contracts or other agreements with certain foreign-owned companies in connection with critical infrastructure in this state; the Lone Star Infrastructure Protection Act:** Prohibits a business entity or governmental entity from entering into an agreement with certain companies relating to critical infrastructure in Texas.

	Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
	Complete	Issue requests for information and require attestations of all Interconnecting Entities regarding compliance with the Act	5/31/22	Seely	<ul style="list-style-type: none"> <li>• Tex. Bus. &amp; Com. Code chapter 113, and Tex. Gov't Code chapter 227</li> </ul>
	Complete	Adopt Planning Guide changes that revise Generator Interconnection or Modification (GIM) process to ensure compliance with the Act	3/31/22	Seely	<ul style="list-style-type: none"> <li>• Tex. Bus. &amp; Com. Code chapter 113, and Tex. Gov't Code chapter 227</li> <li>• PGRR099</li> </ul>
	Complete	Implement PGRR099, Revise GIM Process to ensure compliance with the Act	3/31/22	Seely	<ul style="list-style-type: none"> <li>• Tex. Bus. &amp; Com. Code chapter 113, and Tex. Gov't Code chapter 227</li> <li>• PGRR099</li> </ul>
	Complete	Review and modify procurement and contracting processes to ensure ERCOT compliance with the Act	November 2022	Seely, Taylor	<ul style="list-style-type: none"> <li>• Tex. Bus. &amp; Com. chapter 113, and Tex. Gov't Code chapter 227</li> </ul>

**Relating to prohibiting contracts or other agreements with certain foreign-owned companies in connection with critical infrastructure in this state; the Lone Star Infrastructure Protection Act:** Prohibits a business entity or governmental entity from entering into an agreement with certain companies relating to critical infrastructure in Texas.


Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 In Progress	Review and modify Protocols, Planning Guides, or Other Binding Documents to ensure only entities in compliance with the Act may register and qualify as an ERCOT Market Participant	TBD	Seely	<ul style="list-style-type: none"> <li>• Tex. Bus. &amp; Com. chapter 113, and Tex. Gov't Code chapter 227</li> <li>• NPRR1155</li> </ul>

**Relating to utility facilities for restoring service after widespread outage:** Permits a TDU to (1) lease and operate facilities that provide temporary emergency electric energy to aid in restoring distribution service during certain widespread power outages; and (2) procure or enter cooperative agreement with other TDU to jointly own and operate facilities that have a  $\geq$  six-month lead time and would aid in restoring power to distribution customers, but not energy storage equipment. The leased facilities that provide temporary emergency electric energy may not be included in ERCOT Locational Marginal Pricing calculations, pricing, or reliability models.







Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 In Progress	Analyze whether changes to offer-submission processes are needed to prevent TDU from offering energy or AS from TDU-leased temporary electric energy facilities, prevent such facilities from being included in LMPs or pricing	TBD	Ögelman	<ul style="list-style-type: none"> <li>• PURA § 39.918(c) and (d)</li> </ul>
 In Progress	Monitor and provide support to PUC in PUC rulemaking, regarding restoration of electric service after a widespread outage, until complete	TBD	Woodfin	<ul style="list-style-type: none"> <li>• PURA § 39.918</li> <li>• PUC Project No. 53404</li> </ul>



**Relating to an annual audit of the independent organization certified for the ERCOT power region:** The PUC shall have an annual, independent audit of ERCOT's financial condition (including budget, expenses, and salaries of ERCOT employees and Board members) and compliance of ERCOT's assets with PUC standards.







Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	<p>Provide audit results and supplemental information as required.</p> <p>Expand existing audit report to PUC to include this audit. First audit report that included this was filed with the PUC on 6/22/22.</p>	Ongoing	Taylor, Seely	<ul style="list-style-type: none"><li>• PURA § 39.159</li><li>• PUC Project No. 52933</li></ul>

**Securitization: Relating to the restructuring of certain electric utility providers:** PURA chapter 39, subchapter M requires ERCOT to finance the payment of up to \$800 million of the Winter Storm Uri default balance. This debt obligation is being financed over 30 years and was privately placed with the Texas Treasury Safekeeping Trust Company (TTSTC), a stand-alone, special purpose entity with the Texas Comptroller of Public Accounts as its sole shareholder and director.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	ERCOT shall apply with PUC for order to authorize debt financing mechanism	7/16/21	Seely, Taylor	<ul style="list-style-type: none"> <li>• PURA § 39.603(a)</li> <li>• PUC Docket No. 52321</li> </ul>
 Complete	PUC shall issue an order approving or denying ERCOT's application ≤ 90 days after ERCOT files the application	10/14/21	Seely, Taylor	<ul style="list-style-type: none"> <li>• PURA § 39.603(a) and (g)</li> <li>• PUC Docket No. 52321</li> </ul>
 Complete	Adopt Protocols and process changes necessary to implement Subchapter M securitization	12/17/21	Ögelman, Taylor	<ul style="list-style-type: none"> <li>• NPRR1103</li> </ul>
 Complete	Close funding	11/12/21	Seely, Taylor	<ul style="list-style-type: none"> <li>• PURA § 39.603</li> <li>• PUC Docket No. 52321</li> </ul>
 Complete	Distribute proceeds to Counter Parties	11/23/21	Ögelman	<ul style="list-style-type: none"> <li>• PURA § 39.603</li> <li>• PUC Docket No. 52321</li> </ul>
 Complete	Assess and collect Default Charges for 30 years	Ongoing	Ögelman	<ul style="list-style-type: none"> <li>• PURA § 39.603</li> <li>• NPRR1103</li> </ul>



**Securitization: Relating to the restructuring of certain electric utility providers:** PURA chapter 39, subchapter N requires ERCOT to finance the payment of up to \$2.1 billion of certain extraordinary costs incurred by non-opted-out Load Serving Entities related to Winter Storm Uri (the uplift balance). This debt obligation was financed through the issuance of 144A asset-backed securities.

Status	ERCOT Action Item	Completion Date	Accountable Executive(s)	References
 Complete	ERCOT shall apply with PUC for order to authorize debt financing mechanism	7/16/21	Seely, Taylor	<ul style="list-style-type: none"> <li>• PURA § 39.653(a)</li> <li>• PUC Docket No. 52322</li> </ul>
 Complete	PUC shall issue an order approving or denying ERCOT's application ≤ 90 days after ERCOT files the application	10/13/21	Seely, Taylor	<ul style="list-style-type: none"> <li>• PURA § 39.653(a) and (f)</li> <li>• PUC Docket No. 52322</li> </ul>
 Complete	Adopt Protocols and process changes necessary to implement Subchapter N securitization	3/31/22	Ögelman, Taylor	<ul style="list-style-type: none"> <li>• NPRR1114</li> </ul>
 Complete	Complete Marketing and close funding	6/15/22	Seely, Taylor	<ul style="list-style-type: none"> <li>• PURA § 39.653</li> <li>• PUC Docket No. 52322</li> </ul>
 Complete	Distribute proceeds to Counter Parties, except as directed by PUC	6/22/22	Ögelman	<ul style="list-style-type: none"> <li>• PURA § 39.653</li> <li>• PUC Docket No. 52322</li> </ul>
 Complete	Assess and collect Uplift Charges for 30 years	Ongoing	Ögelman	<ul style="list-style-type: none"> <li>• PURA § 39.653(c)</li> <li>• NPRR1114</li> </ul>

### References:

The enrolled text of the bills are available at the [Texas Legislature Online website](#).

The Texas Codes are available at the [official Texas Constitution and Statutes website](#).

A version of the [Public Utility Regulatory Act \(PURA\)](#) maintained by the PUC is available on the PUC's website.

The [PUC's substantive rules](#) are available at the PUC website.

The [RRC's substantive rules](#) are available at the RRC website.

[ERCOT's Protocols](#) are available at the ERCOT website.

AS – Ancillary Services  
CY – calendar year  
CLRs – Controllable Load Resources  
CCN – Certificate of Convenience and Necessity  
DGR – Distribution Generation Resources  
DPS – Texas Department of Public Safety  
ECEII – ERCOT Critical Energy Infrastructure Information  
ECRS – ERCOT Contingency Reserve Service  
EEA – Energy Emergency Alert  
EOP – Emergency Operations Plan  
ERCOT – Electric Reliability Council of Texas, Inc.  
ERS – Emergency Response Service  
FFR – Fast Frequency Response  
FFSS – Firm Ruel Supply Service  
GIM – Generator Interconnection or Modification  
HCAP – High Offer Cap  
LCAP – Low Offer Cap  
LMP – Locational Marginal Pricing  
MCL – Minimum Contingency Level  
NPRR – ERCOT Nodal Protocol Revision Request  
NSRS – Non-Spin Responsive Service  
OPUC – Office of Public Utility Counsel  
ORDC – Operating Reserve Demand Curve  
PUC – Public Utility Commission of Texas  
PUC Subst. R. – a substantive rule of the Public Utility Commission of Texas  
PURA – Public Utility Regulatory Act  
RRC – Railroad Commission of Texas  
RRS – Responsive Reserve Service  
TERC – Texas Energy Reliability Council  
TDEM – Texas Division of Emergency Management  
TDU – Transmission and Distribution Utility  
Tex. Bus. & Com. Code – Texas Business and Commerce Code  
Tex. Gov’t Code – Texas Government Code  
VOLL – Value of Lost Load