

**PROJECT NO. 25516**

**LOAD PROFILING AND LOAD  
RESEARCH RULEMAKING**

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**PUBLIC UTILITY COMMISSION  
  
OF TEXAS**

**PROPOSAL FOR PUBLICATION OF NEW §25.131 AS APPROVED  
AT THE OCTOBER 10, 2002 OPEN MEETING**

The Public Utility Commission of Texas (commission) proposes new §25.131 relating to Load Profiling and Load Research. The proposed new rule will define the entity responsible for load research to support the load profiling activities of the Electric Reliability Council of Texas (ERCOT), provide access to the data gathered from load profiling research, and introduce a method of recovery of research costs associated with obtaining a new profile. Project Number 25516 is assigned to this proceeding.

Shawnee Claiborn-Pinto, Electric Industry Analyst, Electric Division, has determined that for each year of the first five-year period the proposed section is in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the section.

Ms. Claiborn-Pinto has determined that for each year of the first five years the proposed section is in effect the public benefit anticipated as a result of enforcing the section will be more accurate load profiles which will result in a more efficient electricity market. In addition, the proposed rule will optimize load research performed by distribution utilities to support load profiles and for ratemaking purposes, thereby ensuring that customers do not bear unnecessary costs associated with performing load research to support load

profiling activities of ERCOT. There will be no adverse economic effect on small businesses or micro-businesses as a result of enforcing this section. Entities required to comply with the proposed section may experience some economic costs from the planning, equipment purchase and installation of meters. These costs are likely to vary between entities and are not possible to quantify at this time. However, the benefits of coordinating research activities and obtaining data used to support profiles is expected to outweigh the costs.

Ms. Claiborn-Pinto has also determined that for each year of the first five years the proposed section is in effect there should be no effect on a local economy, and therefore no local employment impact statement is required under Administrative Procedure Act §2001.022.

The commission staff will conduct a public hearing on this rulemaking, pursuant to the Administrative Procedure Act, Texas Government Code §2001.029, at the commission's offices located in the William B. Travis Building, 1701 North Congress Avenue, Austin, Texas 78701 on Monday, December 16, 2002 beginning at 10:00 a.m. in the Commissioners' Hearing Room.

Comments on the proposed new section (16 copies) may be submitted to the Filing Clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, PO Box 13326, Austin, Texas 78711-3326, within 31 days after publication. Reply comments may be submitted within 45 days after publication. Comments should be organized in a manner

consistent with the organization of the proposed rule(s). The commission invites specific comments regarding the costs associated with, and benefits that will be gained by, implementation of the proposed section. The commission will consider the costs and benefits in deciding whether to adopt the section. All comments should refer to Project Number 25516.

When commenting on specific subsections of the proposed rule, parties are encouraged to describe "best practice" examples of regulatory policies, and their rationale, that have been proposed or implemented successfully in other states already undergoing electric industry restructuring, if the parties believe that Texas would benefit from application of the same policies. The commission is interested in receiving only "leading edge" examples which are specifically related and directly applicable to the Texas statute, rather than broad citations to other state restructuring efforts. The commission also requests comments on the following issues:

1. *Proposed §25.131(e)(3) calls for ERCOT to develop a process for assessing a fee to users of a new profile that is developed by a sponsor other than ERCOT. Rather than this process, when a person petitions ERCOT to establish a new profile and incurs costs for research and development of the new profile, should the new profile become the property of this sponsor?*
2. *In these circumstances, should the sponsor of a new profile be allowed to charge a market-based fee for its use?*

This new section is proposed under the Public Utility Regulatory Act, Texas Utilities Code Annotated §14.002 (Vernon 1998, Supplement 2002) (PURA), which provides the Public Utility Commission with the authority to make and enforce rules reasonably required in the exercise of its powers and jurisdiction; and specifically, PURA §39.101(a)(1) which provides that customers are entitled to safe, reliable, and reasonably priced electricity; PURA §39.101(a)(6), which provides that customers are entitled to accurate metering and billing; PURA §39.101(e), which grants the commission the authority to adopt and enforce such rules as may be necessary or appropriate to carry out the provisions of PURA §39.101(a); and PURA §39.151(d), which requires that an independent organization certified by the commission for a power region establish and enforce procedures, consistent with the commission's rules, relating to accounting for the production and delivery of electricity among generators and all other market participants.

Cross Reference to Statutes: Public Utility Regulatory Act §§14.002, 39.101 and 39.151.

**§25.131. Load Profiling and Load Research.**

- (a) **Purpose.** This section allocates responsibilities for obtaining load research information necessary to support the load profiling activities of the Electric Reliability Council of Texas (ERCOT), provides for access to that load profile research data by retail electric providers, and provides a method for recovery of costs by a person who successfully sponsors a new load profile.
- (b) **Applicability.** This section applies to ERCOT, each transmission and distribution utility (TDU) that has a service territory within ERCOT, and each retail electric provider (REP) certified by the commission. For the purposes of this section the term person may include a municipally owned utility or electric cooperative.
- (c) **Load research responsibility.** Each TDU shall perform load research to support ERCOT's load profiling activities, as directed by ERCOT.
- (1) ERCOT shall be responsible for load research sample design and sample point selection for load profiling research. ERCOT shall coordinate with each TDU to optimize load research programs of both ERCOT and the TDU. The same samples shall be used to support both the TDU's load research activities and ERCOT's load profile research needs whenever reasonably possible. Each TDU shall coordinate with ERCOT to

synchronize load research cycles and sample replacement with those of ERCOT.

- (2) ERCOT, in consultation with TDUs, shall specify the manner of data collection for ERCOT load profile research samples and the means and frequency of transmission of such information to ERCOT. Each TDU shall adhere to the specifications for data collection and transmission specified by ERCOT.
  - (3) A TDU may recover its costs reasonably and prudently incurred in performing load profile research as required by this section.
  - (4) This section shall not be interpreted to require a TDU to redeploy any existing samples that were deployed less than five years before the effective date of this section, although this section shall also not be interpreted as addressing the appropriateness of continued deployment of existing TDU samples apart from an ERCOT request to do so. Notwithstanding the foregoing, the TDU shall deploy additional samples as requested by ERCOT in order to support ERCOT's load profiling activities.
- (d) **Availability of load research data.** ERCOT shall make load profile research data available to all certified REPs.
- (1) Notwithstanding the foregoing, a municipally owned utility or electric cooperative that conducts load research activities shall have access to load research data maintained by ERCOT only if it shares statistically valid

load research data from its own service territory with ERCOT in accordance with the provisions of subparagraphs (A)-(C) of this paragraph.

- (A) A municipally owned electric utility or electric cooperative may submit load research data only if it is obtained in a manner consistent with the Association of Edison Illuminating Companies (AEIC) load research standards and provided in the form and manner specified by ERCOT pursuant to subsection (c)(2) of this section.
  - (B) The municipally owned electric utility or electric cooperative shall provide to ERCOT information concerning its load research sample design and any other relevant information required by ERCOT.
  - (C) ERCOT shall determine whether the load research data submitted by a municipally owned utility or electric cooperative is statistically valid sample data compiled in a manner consistent with the AEIC Load Profiling Guidelines.
- (2) ERCOT shall make available customer level data for all customers as provided in this subsection, unless ERCOT concludes that, due to the size, usage characteristics, or location of a sample, there is a significant risk that release of customer level data for a sample would lead to the disclosure of the identity of the customer being sampled. ERCOT shall make available, as provided in this subsection, all other load profile

research data on an aggregated basis unless ERCOT determines that there is significant risk that disclosure of such aggregated data would lead to the disclosure of the identity of one or more sampled customers. In no event shall the location, name, account number, zip code or electric service identifier (ESI) of an individual customer in a load profile research sample be made available. The following information shall be made available for load profile research data provided on either an individualized or aggregated basis:

- (A) customer class;
- (B) TDU service area;
- (C) weather zone; and
- (D) interval usage, or average interval usage for aggregated data.

- (3) ERCOT may not assess a charge to access the data specified in paragraph (2) of this subsection.
- (e) **New load profiles and fee for use of load profiles.** ERCOT may establish new load profiles at the request of a REP or another person.
- (1) A request for a new or modified load profile must include the requested information detailed in ERCOT's Load Profiling Guides.
  - (2) Any costs associated with developing the supporting data and documentation that is necessary for ERCOT's evaluation of the proposed profile change shall be the responsibility of the person sponsoring the profile change.

- (3) Within six months of the effective date of this section, ERCOT shall establish and implement a process to collect a fee from any REP who seeks to assign customers to a new profile sponsored by an entity other than ERCOT. The process shall include a method for other REPs who use the profile to compensate the original sponsor of the new profile and for ERCOT to notify TDUs which REPs are authorized to use the new profile. A TDU shall not, without authorization, assign a customer to a profile for which a REP or another person has paid the costs of developing the new profile.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's authority to adopt.

**ISSUED IN AUSTIN, TEXAS ON THE 11th DAY OF OCTOBER 2002 BY THE  
PUBLIC UTILITY COMMISSION OF TEXAS  
RHONDA G. DEMPSEY**