

CHAPTER 25. SUBSTANTIVE RULES APPLICABLE TO ELECTRIC SERVICE PROVIDERS.

Subchapter H. ELECTRICAL PLANNING.

DIVISION 2. ENERGY EFFICIENCY AND CUSTOMER-OWNED RESOURCES.

§25.186. Goal for Average Total Residential Load Reduction.

- (a) **Application.** This section applies to the independent organization certified under PURA §39.151 for the Electric Reliability Council of Texas (ERCOT) region, a transmission and distribution utility (TDU), and a retail electric provider (REP) providing demand response using a responsive device program to residential customers.
- (b) **Definition.** When used in this section, the term “smart responsive appliance or device” has the following meaning unless the context indicates otherwise. An appliance or device that may be enabled to allow its electric usage or electric usage of connected appliances or devices to be adjusted remotely.
- (c) **Responsive Device Program.** A REP may offer a responsive device program that offers an incentive to residential customers with smart responsive appliances or devices to reduce electricity consumption.
- (1) A REP may contract with a demand response provider to provide a responsive device program.
- (2) A responsive device program must:
- (A) allow demand response participation by residential customers where reasonably available, including during the summer and winter seasons;
- (B) be capable of responding to an emergency energy alert issued by the independent organization certified under Public Utility Regulatory Act (PURA) §39.151 for the ERCOT region;
- (C) ensure that the program does not adversely impact the needs of a critical care residential customer or chronic condition residential customer as those terms are defined in §25.497 of this title, relating to Critical Load Industrial Customers, Critical Load Public Safety Customers, Critical Care Residential Customers, and Chronic Condition Residential Customers; and
- (D) not allow participation of a residential customer that is enrolled in an emergency program such as the Emergency Response Service under §25.507 of this title, relating to Electric Reliability Council of Texas (ERCOT) Emergency Response Service (ERS), or a TDU load management program under §§25.181-183 of this title.
- (E) specify that participation in the responsive device program expires:
- (i) if participation in the responsive device program is offered or included as part of a product or plan for retail electric service, with the term of the contract; or
- (ii) if the responsive device program is offered as a separate product or plan or as an additional service, on the date consistent with the REP’s disclosures to the customer regarding the term of the responsive device program, but must end when the REP that enrolled the retail customer is no longer the REP of record for that customer.
- (d) **Average total residential load reduction goal.**
- (1) No later than 45 days following the end of each calendar quarter, a REP providing a responsive device program within the ERCOT region must submit to ERCOT, on a form prescribed by ERCOT, the following information for each calendar month in the quarter:
- (A) the electric service identifier (ESI ID) for each residential customer with smart appliances or devices enrolled in each responsive device program offered by the REP; and
- (B) the date of each demand response event, including each demand response event start time and stop time and the ESI IDs deployed for each event.
- (2) No later than March 31 of each calendar year, for each daily ERCOT peak demand period and each ERCOT energy emergency alert period, ERCOT must publicly file with the commission the following information for the twelve-month period ending on November 30 of the previous calendar year. For purposes of this paragraph, the load associated with any premise with behind-the-meter

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photovoltaic (PV) generation will be calculated as the sum of the premise's import from the grid plus any PV generation less any export to the grid.

- (A) the date of the period, the time of the period, and the hourly and 15-minute interval values of load and net load during the period;
 - (B) the aggregated hourly and 15-minute interval actual metered load of all the residential customers enrolled in a responsive device program during the ERCOT peak demand period or energy emergency alert period; and
 - (C) for each day for which ERCOT has received notice of a REP responsive device program deployment and for each ERCOT energy emergency alert period:
 - (i) the estimated hourly and 15-minute interval load reduction by all residential customers enrolled in a responsive device program during the ERCOT peak demand period or energy emergency alert period;
 - (ii) the estimated hourly and 15-minute interval load reduction by all customers identified in clause (i) of this subparagraph that were deployed at any point during the ERCOT peak demand period or energy emergency alert period;
 - (iii) the aggregated hourly and 15-minute interval actual metered load of all customers enrolled in a responsive device program that were deployed at any point during the ERCOT peak demand period or energy emergency alert period; and
 - (iv) the total number of customers deployed at any point during each interval.
- (3) The average total residential load reduction goal is 0.25 (i.e., a 20 percent reduction in load by participating residential customers).
- (A) The goal is calculated as a ratio by dividing the load reduced by all responsive device programs during an ERCOT peak demand period by the total amount of demand of all residential customers participating in a responsive device program during that ERCOT peak demand period.
 - (B) On or before June 30 of each even-numbered year, commission staff will review the data received from ERCOT under paragraph (2) of this subsection to assess the effectiveness of the responsive device programs offered by REPs and whether the average total residential load reduction goal under paragraph (3) of this subsection is being achieved. Commission staff will file a recommendation in Project 56966 on whether the commission should adjust the goal.
 - (C) The commission will consider commission staff's recommendation under subparagraph (B) of this paragraph and determine whether to update the goal.
- (4) For the purposes of this section, an ERCOT peak demand period is an hour with the daily peak value of net load, where net load is calculated as defined in ERCOT protocols.
- (e) **Confidentiality.** ERCOT must treat the information submitted by a REP under subsection (d) of this section as protected information as defined by the ERCOT protocols. The requirements of this section neither authorize nor require a REP to publicly disclose proprietary customer information.
 - (f) **Funding.** A REP may receive funding for a responsive device program through an energy efficiency incentive program established under §25.181 of this title, relating to Energy Efficiency Goal, if the responsive device program complies with the evaluation, measurement, and verification requirements of §25.181 of this title, and if the smart responsive appliances or devices meet the requirements of subsection (c) of this section. A transmission and distribution utility required to provide an energy efficiency incentive program under PURA §39.905 may use up to 10 percent of its demand response budget for responsive device programs offered by a REP under subsection (c) of this section.
 - (g) **Additional information.** Commission staff may request additional data from REPs and ERCOT regarding the responsive device program under subsection (c) of this section to assist in evaluating and revising the goal under subsection (d) of this section.