

- (5) the proposed rule will not create a new regulation;
 - (6) the proposed rule will not expand, limit, or repeal an existing regulation;
 - (7) the proposed rule will not change the number of individuals subject to the rule's applicability;
- and
- (8) the proposed rule will not affect this state's economy.

Fiscal Impact on Small and Micro-Businesses and Rural Communities

There is no adverse economic effect anticipated for small businesses, micro-businesses, or rural communities as a result of implementing the proposed rule. Accordingly, no economic impact statement or regulatory flexibility analysis is required under Tex. Gov't. Code §2006.002(c).

Takings Impact Analysis

The commission has determined that the proposed rule will not be a taking of private property as defined in chapter 2007 of the Texas Government Code.

Fiscal Impact on State and Local Government

Ms. Mariah Benson, Economist, Market Analysis Division, has determined that for the first five-year period the proposed rule is in effect, there will be no fiscal implications for the state or for units of local government under Tex. Gov't. Code §2001.024(a)(4) as a result of enforcing or administering the sections.

Public Benefits

Ms. Benson 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 this section will be greater public awareness of the potential for electricity outages. There will be no adverse economic effect on small businesses or micro-businesses as a result of enforcing this section.

Local Employment Impact Statement

For each year of the first five years the proposed section is in effect, there should be no effect on a local economy; therefore, no local employment impact statement is required under Tex. Gov't. Code §2001.022.

Costs to Regulated Persons

Tex. Gov't. Code §2001.0045(b) does not apply to this rulemaking because the commission is expressly excluded under subsection §2001.0045(c)(7).

Public Hearing

The commission staff will conduct a public hearing on this rulemaking on January 14, 2022, at 10:00 A.M. in the Commissioners' Hearing Room, 7th floor, William B. Travis Building if requested in accordance with Tex. Gov't. Code §2001.029. The request for a public hearing must be received by January 11, 2022. If a request for public hearing is received, commission staff will file in this project a notice of hearing.

Public Comments

Interested persons may file comments electronically through the interchange on the commission's website. Comments must be filed by **January 11, 2022**. Comments should be organized in a manner consistent with the organization of the proposed rules. The commission invites specific comments regarding the costs associated with, and benefits that will be gained by, implementation of the proposed rule. The commission will consider the costs and benefits in deciding whether to modify the proposed rules on adoption. **Commission staff strongly encourages commenters to include a bulleted executive summary to assist Commission Staff in reviewing the filed comments in a timely fashion.** All comments should refer to Project Number 52287.

Statutory Authority

The amended rule is proposed under PURA §14.002, which provides the Public Utility Commission with the authority to make adopt and enforce rules reasonably required in the exercise of its powers and jurisdiction. The amended rule is also proposed under Tex. Gov't. Code §2261.253, which requires each state agency to establish a procedure, by rule, to identify each contract that requires enhanced contract monitoring.

Cross Reference to Statute: Public Utility Regulatory Act §14.002 and Tex. Gov't. Code §2261.253.

§25.57 Power Outage Alert Criteria.

- (a) **Purpose and Applicability.** This section establishes criteria for the activation, content, and termination of power outage alerts (POAs) as required by Texas Government Code §411.301(b). This section applies to the Electric Reliability Council of Texas (ERCOT) and transmission service providers in power regions in Texas other than the ERCOT power region.
- (b) **Definitions.**
- (1) **Load shed instructions** -- Directions given by a reliability coordinator to a transmission service provider to reduce electricity usage along its systems by a described amount to prevent longer and larger outages for an entire power region.
 - (2) **System-wide** -- The entirety of a power region.
- (c) **Issuance of a POA.** The commission may recommend the Texas Department of Public Safety issue a POA based on information received from ERCOT and transmission service providers in power regions other than ERCOT. The issuance of a POA may be recommended when load shed instructions have been issued or are likely to be issued because the system-wide power supply in one or more power regions within Texas may be inadequate to meet demand.
- (1) The commission may recommend the Texas Department of Public Safety issue a POA statewide or for one or more specific power regions in Texas.
 - (2) In conjunction with or as an alternative to recommending the issuance of a system-wide POA, the commission may disseminate information by contacting the media, posting on social media, notifying government officials, or via other available means of communication.

(3) In determining whether to recommend the issuance of a POA, the commission will consider the likelihood of system-wide load shed instructions being issued, the expected length of time the load shed instructions will be in effect, and any other relevant information.

(d) POA for the ERCOT power region.

(1) ERCOT must notify the commission when:

(A) ERCOT's forecasts indicate system-wide generation supply may be insufficient to meet demand within the next 48 hours; or

(B) ERCOT issues or is preparing to issue load shed instructions.

(2) A notice under paragraph (d)(1) of this subsection must include any available, relevant information to assist the commission in determining whether to recommend the issuance of a POA and what information should be in a POA. The notice must include, but is not limited to:

(A) Whether load shed instructions have been issued;

(B) Whether capacity is forecasted to be insufficient to meet demand and, if so, an estimated time when load shed instructions may be necessary;

(C) If applicable and known, an estimated time when load shed instructions may be recalled; and

(D) If applicable and known, the initiating event or circumstances that prompted the load shed instructions.

(3) ERCOT must notify the commission when any of the applicable conditions listed under paragraph (d)(1) of this subsection are no longer applicable. This notice must

include information on any of the remaining conditions listed under paragraph (d)(1) of this subsection that are still applicable.

(4) ERCOT must establish a procedure, in consultation with commission staff, to provide the commission with notifications required under this subsection.

(5) The commission may:

(A) Request additional information and updates from ERCOT;

(B) Recommend the issuance of a POA;

(C) Recommend the issuance of updates to a POA; and

(D) Recommend the termination of a POA.

(e) POA for power regions other than ERCOT.

(1) A transmission service provider in a power region other than ERCOT must notify the commission when it has received load shed instructions from the applicable reliability coordinator to shed load in Texas.

(2) A notice provided under paragraph (e)(1) of this subsection must include:

(A) Whether load shed instructions have been issued;

(B) If applicable and known, an estimated time when load shed instructions will be recalled; and

(C) If applicable and known, the cause or initiating event of the load shed instructions.

(3) The transmission service provider must notify the commission when the applicable reliability coordinator has recalled the load shed instructions. The transmission service provider's notice must include any available information regarding power outages and the expectation for power restoration within its service territory.

- (4) A transmission service provider covered by this subsection must establish a procedure, in consultation with commission staff, to provide the commission with notifications required under this subsection.
- (5) The commission may:
- (A) Request additional information and updates from the transmission service provider;
 - (B) Recommend the issuance of a POA;
 - (C) Recommend the issuance of updates to a POA; and
 - (D) Recommend the termination of a POA.
- (f) POA Content. When known and as applicable, the POA must provide the following information:
- (1) Whether system-wide load shed is occurring or expected to occur imminently;
 - (2) A brief explanation of the circumstances surrounding the load shed event or expected load shed event;
 - (3) A statement that an electricity customer may experience a power outage;
 - (4) Where an electricity customer can seek assistance while the electricity customer's power may be out; and
 - (5) Any other information deemed relevant and of assistance to electricity customers.

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

**ISSUED IN AUSTIN, TEXAS ON THE 17th DAY OF DECEMBER 2021 BY THE
PUBLIC UTILITY COMMISSION OF TEXAS
MELISSA ETHRIDGE**