

Public Utility Commission of Texas

Memorandum

TO: Chairman Barry T. Smitherman
Commissioner Kenneth W. Anderson, Jr.
Commissioner Donna L. Nelson

FROM: Kevin Mathis
Infrastructure and Reliability Division

DATE: July 15, 2009

RE: Docket No. 36485 – Annual Filing by Electric Utilities of Interconnected Distributed Generation Facilities to Comply with Substantive Rule §25.211(n)

Substantive Rule §25.211(n) requires that by March 30 of each year, every electric utility shall file with the Commission a Distributed Generation Interconnection Report for the preceding calendar year that identifies each distributed generation facility interconnected with the utility's distribution system. The report shall list the new distributed generation facilities interconnected with the system since the previous year's report, any distributed generation facilities no longer interconnected with the utility's system since the previous report, the capacity of each facility, and the feeder or other point on the company's utility system where the facility is connected.

Centerpoint Energy Houston Electric ("Centerpoint"), Oncor Electric Delivery ("Oncor"), American Electric Power ("AEP"), Texas New Mexico Power Company ("TNMP"), Entergy Gulf States ("Entergy"), Southwestern Public Service Company ("SPS"), Sharyland Utilities ("Sharyland"), Cap Rock Energy Corporation ("Cap-Rock"), and El Paso Electric Company ("EPE") reported a net total of 532,667 kilowatts of distributed generation ("DG") activities. During 2008 137,233 kilowatts were added to the 2007 total of 409,061 kilowatts capacity, and 14,685 kilowatts of DG were disconnected. Sharyland reported no activities of distributed generation. The most common technology used for DG in Texas is diesel generation, with wind generation ranking second.

The DG activities that represent existing capacity, newly interconnected capacity, and disconnected capacity in Kilowatts for the calendar years 2002 through 2008 are shown in Table KM-1.

Table KM-1

| Capacity | Oncor | Centerpoint | SPS | TNMP | AEP | Entergy | El Paso | Cap-Rock | Sharyland |
|--------------------------|----------------|---------------|----------------|---------------|---------------|--------------|--------------|-----------|-----------|
| Existing 2002 | 154,456 | 37,634 | 0 | 5,000 | 18,617 | 0 | 0 | 0 | 0 |
| New Interconnection 2002 | 5,572 | 8,504 | 4 | 0 | 2,000 | 5 | 0 | 0 | 0 |
| Disconnection 2002 | 2,150 | 3,663 | 0 | 0 | 6,300 | 0 | 0 | 0 | 0 |
| Net Total 2002 | 157,878 | 42,476 | 4 | 5,000 | 14,317 | 5 | 0 | 0 | 0 |
| New Interconnection 2003 | 6,012 | 7,604 | 3,054 | 10,000 | 0 | 3,044 | 0 | 0 | 0 |
| Disconnection 2003 | 8,460 | 6,530 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Total 2003 | 155,430 | 43,550 | 3,057 | 15,000 | 14,317 | 3,049 | 0 | 0 | 0 |
| New Interconnection 2004 | 28,341 | 6,630 | 0 | 0 | 0 | 0 | 0 | 80 | 0 |
| Disconnection 2004 | 9,900 | 0 | 0 | 0 | 0 | 5 | 0 | 0 | 0 |
| Net Total 2004 | 173,871 | 50,180 | 3,057 | 15,000 | 14,317 | 3,044 | 0 | 80 | 0 |
| New Interconnection 2005 | 27,364 | 1,703 | 30,660 | 0 | 0 | 0 | 0 | 0 | 0 |
| Disconnection 2005 | 3,650 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Total 2005 | 197,585 | 51,883 | 33,717 | 15,000 | 14,317 | 3,044 | 0 | 80 | 0 |
| New Interconnection 2006 | 42,201 | 1,869 | 20,000 | 0 | 20 | 0 | 2,404 | 0 | 0 |
| Disconnection 2006 | 10,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Total 2006 | 229,786 | 53,752 | 53,717 | 15,000 | 14,337 | 3,044 | 2,404 | 80 | 0 |
| New Interconnection 2007 | 38,863 | 1,914 | 266 | 66 | 19 | 16 | 3 | 0 | 0 |
| Disconnection 2007 | 4,206 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Total 2007 | 264,443 | 55,666 | 53,983 | 15,066 | 14,356 | 3,060 | 2,407 | 80 | 0 |
| New Interconnection 2008 | 69,352 | 200 | 67,633 | 9 | 0 | 24 | 0 | 15 | 0 |
| Disconnection 2008 | 14,350 | 3 | 0 | 5 | 327 | 0 | 0 | 0 | 0 |
| Net Total 2008 | 312,898 | 61,004 | 121,718 | 15,065 | 16,396 | 3,084 | 2,407 | 95 | 0 |

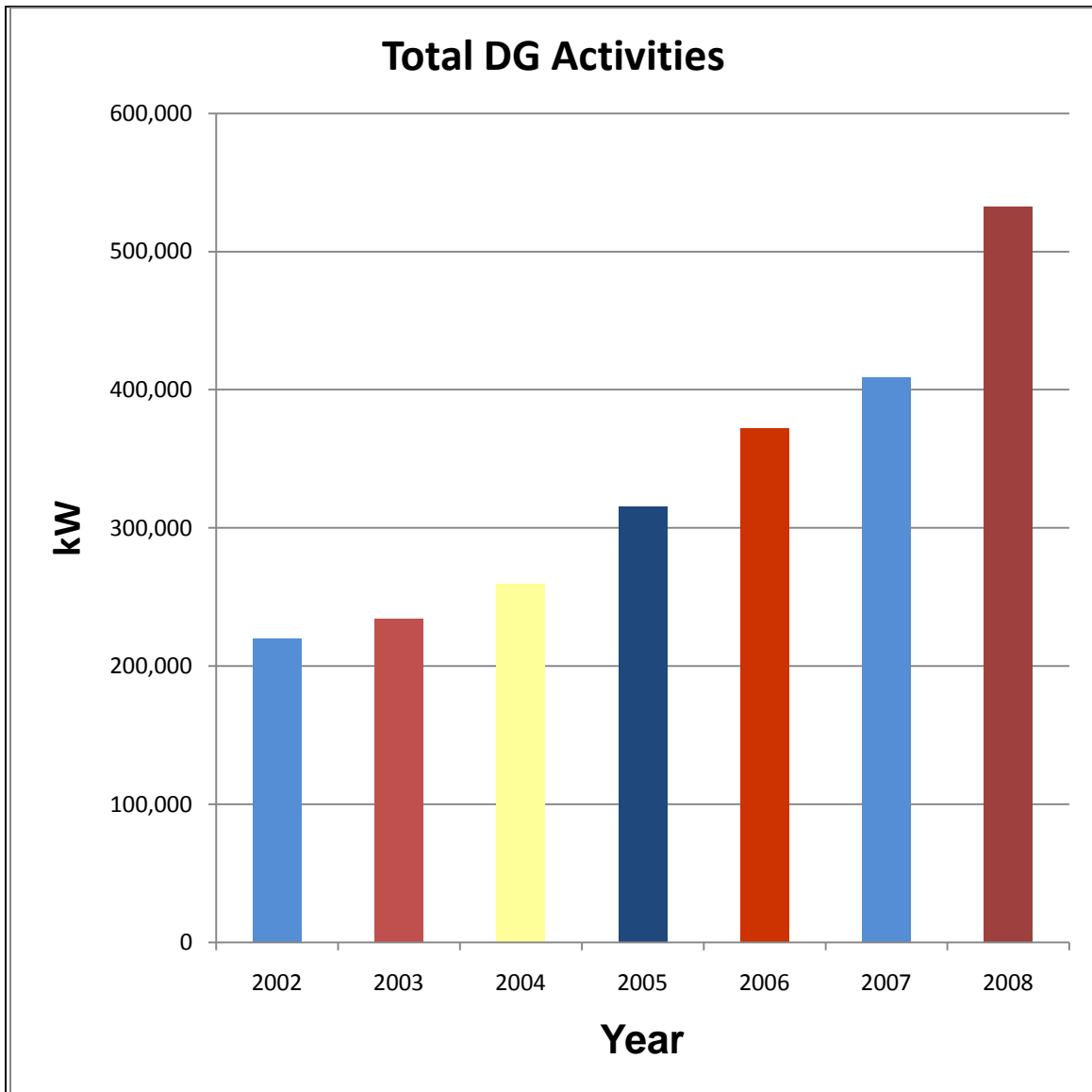
Net Total DG activities for each utility in Kilowatts during calendar years 2002, 2003, 2004, 2005, 2006, 2007, and 2008 are shown in Table KM-2.

Table KM-2

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Oncor | 157,878 | 155,430 | 173,871 | 197,585 | 229,786 | 264,443 | 312,898 |
| Centerpoint | 42,476 | 43,550 | 50,180 | 51,883 | 53,752 | 55,666 | 61,004 |
| SPS | 4 | 3,057 | 3,057 | 33,717 | 53,717 | 53,983 | 121,718 |
| TNMP | 5,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,066 | 15,065 |
| AEP | 14,317 | 14,317 | 14,317 | 14,317 | 14,337 | 14,356 | 16,396 |
| Entergy | 5 | 3,049 | 3,044 | 3,044 | 3,044 | 3,060 | 3,084 |
| El-Paso | 0 | 0 | 0 | 0 | 2,404 | 2,407 | 2,407 |
| Cap-Rock | 0 | 0 | 80 | 80 | 80 | 80 | 95 |
| Sharyland | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 219,680 | 234,403 | 259,549 | 315,626 | 372,120 | 409,061 | 532,667 |

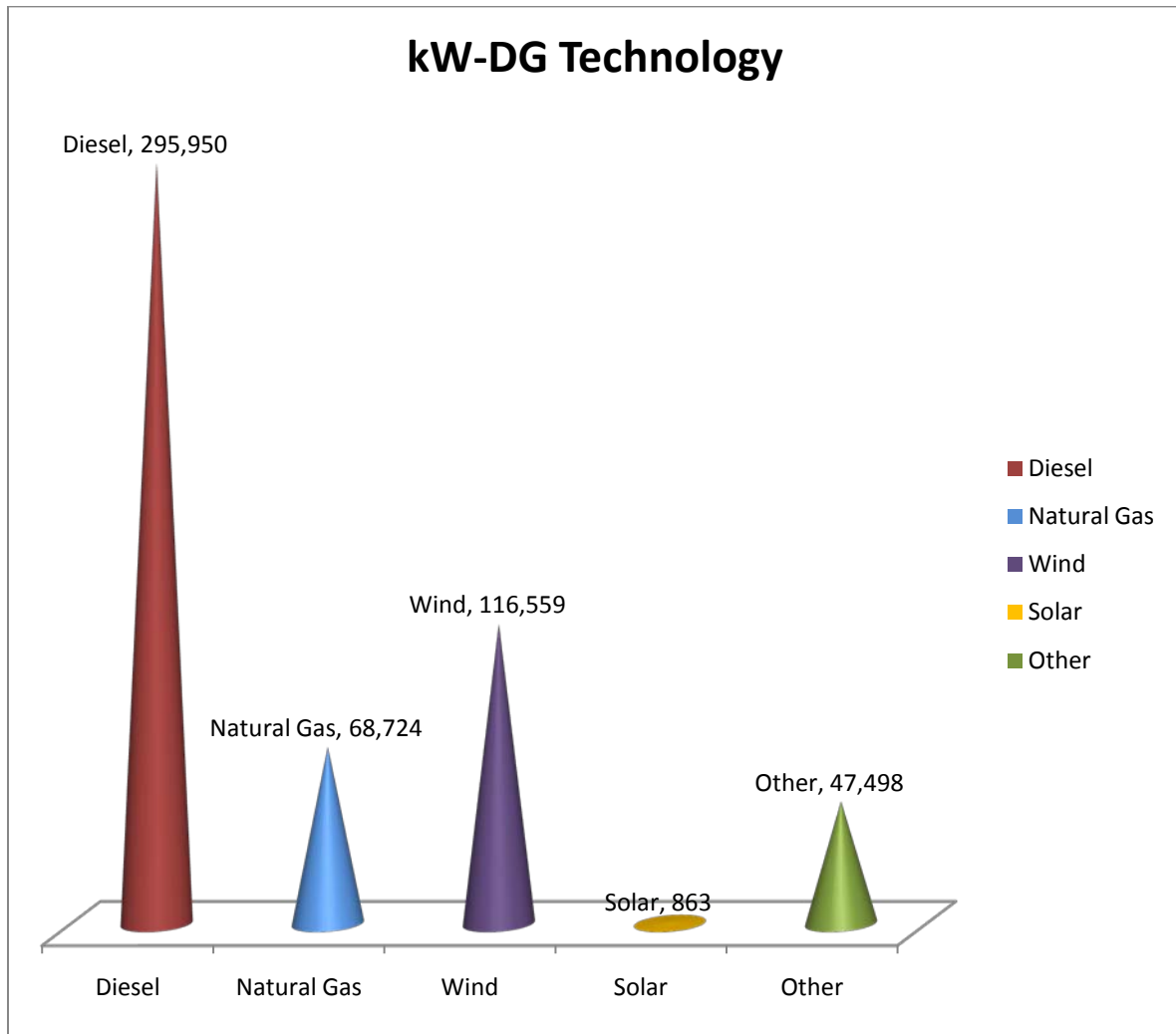
Net Total DG activities in Kilowatts during calendar years 2002 through 2008 are shown on the following figure (Figure KM-1).

Figure KM-1



Fuel technology that was utilized by DG in the calendar year 2008 is shown in Figure KM-2.

Figure KM-2



*The "Other" category includes such fuel technologies as: Biodiesel, Landfill gas, Biomass, Wood, and Lignite.

Cc: Almon, Brian
Featherston, David
Hunter, Tom
Journey, Stephen
Lanford, Lane
Mueller, Paula
Renfro, Mike
Whittington, Pam