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PROJECT NO. 53911

AGGREGATE DISTRIBUTED \$ BEFORE THE ENERGY RESOURCE (ADER) \$ PUBLIC UTILITY COMMISSION ERCOT PILOT PROJECT \$ OF TEXAS

SECOND QUARTERLY REPORT OF THE ADER TASK FORCE

The undersigned ADER Task Force members respectfully submit this second quarterly report pursuant to the provisions of the ADER Task Force Charter.¹

The majority of this report is informative and requires no Commission action. But Section IV of this report contains four recommendations for the Commission to consider as it prepares its own recommendations for the 88th Texas Legislature. To be clear, there are no changes to current law needed for Phase 1 of the pilot project. Rather, the recommendations in Section IV of this report simply clarify how provisions in current law apply in the context of the ADER pilot project.

I. Background

The ADER Task Force was formed on August 12, 2022 to, among other things, make recommendations for a proposed ERCOT ADER pilot project, assist ERCOT in preparing a Governing Document for that pilot project, develop necessary business procedures and template agreements related to the pilot project, and provide a forum for potential pilot project participants to discuss issues related to the development and launch of the pilot project. Joining the ADER Task Force members to complete this work are liaisons appointed from the Commission, the Office of Public Utility Counsel, ERCOT, and the ERCOT Technical Advisory Committee.

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¹ Prior quarterly reports of the Task Force are available in this project. *See* Project No. 53911, First Quarterly Report of the ADER Task Force (Sep. 26, 2022).

II. Report on Task Force Activity

The ADER Task Force held its third monthly meeting in the Commissioners' Hearing Room on October 12 to provide status reports on the Governing Document and ADER Registration Form, discuss upcoming workshops, and receive public comment. Notes from that meeting and material presented were filed in this project.³

During the weeks of October 31 and November 14, the ADER Task Force held public workshops on the following topics: Details of the Aggregation Form; ADER Registry; Cybersecurity; and Customer Communications. The material presented at these workshops, and a link to an archived replay of each workshop, were filed in this project.⁴

On November 18, the ADER Task Force held a closed session focused on potential legislative recommendations as a follow-up to the August 30 public workshop titled "Review of Laws, Rules and Protocols." The recommendations from that closed session are included in Section IV of this quarterly report.

III. Pilot Project Update

1. Status of the Governing Document

The Governing Document for Phase 1 of the pilot project was approved by the ERCOT Board of Directors on October 18, 2022. The Commission discussed and approved the Governing Document on November 3, 2022. And the final Governing

² See Project No. 53911, Commissioners' Memo at Charter p1 (Aug. 12, 2022).

³ See Project No. 53911, Notes of the ADER Task Force meeting on October 12, 2022 (Oct. 18, 2022).

⁴ See Project No. 53911, Notice of ADER Task Force workshops on November 11, 2022 and November 17, 2022 (Nov. 2, 2022); Texas ADER Briefing Workshop Material Regarding ADER Registry – November 15, 2022 (Nov. 18, 2022); and Texas ADER November 18, 2022 briefing workshop regarding Customer Communications (Nov. 22, 2022). Although the cybersecurity workshop was recorded, the task force chair subsequently decided not to publicly post the recording due to the nature of the subject discussed.

⁵ The material from that workshop and a link to a replay of it were filed in this project. *See* Project No. 53911, Material Presented at the ADER Task Force workshop titled – Review of Laws Rules and Protocols (Aug. 31, 2022).





Also available as part of the eCourse 2023 Renewable Energy Law eConference

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