



Control Number: 35665



Item Number: 2

Addendum StartPage: 0

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<b>COMMISSION STAFF'S PETITION FOR THE SELECTION OF ENTITIES RESPONSIBLE FOR TRANSMISSION IMPROVEMENTS NECESSARY TO DELIVER RENEWABLE ENERGY FROM COMPETITIVE RENEWABLE ENERGY ZONES</b>	§ § § § § § § §	<b>PUBLIC UTILITY COMMISSION OF TEXAS</b>
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**COMMISSION STAFF'S PETITION**

NOW COMES Staff of the Public Utility Commission of Texas (Commission Staff or Staff), representing the public interest, to submit this Petition for the Selection of Entities Responsible for Transmission Improvements Necessary to Deliver Renewable Energy from Competitive Renewable Energy Zones (CREZs).

**Background**

In *Commission Staff's Petition for Designation of Competitive Renewable Energy Zones*, Docket No. 33672, the Commission will develop, pursuant to P.U.C. SUBST. R. 25.174(c)(2), a plan to construct transmission capacity necessary to deliver to electric customers the electric output from renewable energy technologies in CREZs. P.U.C. SUBST. R. 25.174(c)(1) indicates that after the issuance of the final order in Docket No. 33672, entities interested in constructing the transmission improvements shall submit expressions of interest to the Commission.

In response to a joint motion to initiate a settlement conference concerning the selection of transmission service providers (TSPs) and a memo by Staff, the Commission issued an order on March 18, 2008 in Docket No. 33672 creating Project No. 35424, *Settlement Conference Concerning Selection of Transmission Service Providers for the Competitive Renewable Energy Zones*. Project No. 35424 was created to be separate from the rulemaking process which has

been continuing simultaneously in Project No. 35460.<sup>1</sup> It was the Commission's desire to have a parallel process separate from the rulemaking in which interested parties could participate in a settlement conference regarding the selection of TSPs for the CREZ transmission facilities.

After holding an initial settlement conference on March 27, 2008, the majority of parties agreed that a TSP selection docket should be promptly initiated to facilitate settlement. Additionally, the Commission has agreed that settlement discussions should continue to progress and have indicated they wish to issue a final order in Docket No. 33672 by July 17, 2008. Staff believes that a proceeding to select TSPs should be initiated, that notice be issued immediately and that an intervention date be established in anticipation of the CREZ final order and to further support settlement discussions. Accordingly, Staff files this petition for the selection of entities responsible for transmission improvements necessary to deliver renewable energy from CREZs.

#### **Notice**

By May 14, 2008, Staff will serve a copy of this petition on each party in Docket No. 33672 and each entity that made a filing in Project No. 34108, *Commission Staff's Request for Qualification Pursuant to 25.174(c)*. In addition, Staff requests that notice of this docket be published in the Texas Register.

#### **Procedural Schedule**

Staff is filing its petition on May 13, 2008. Staff requests the deadline for intervention be June 27, 2008, which is 45 days after the filing of Staff's petition. Additionally, Staff requests that a prehearing conference be held to set a detailed procedural schedule once the Commission issues its final order in Docket No. 33672. In the interim, Staff will conduct settlement discussions as previously directed by the Commission. Staff will conduct these discussions with

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<sup>1</sup> *Rulemaking Proceeding to Amend PUC Substantive Rule relating to Selection of Transmission Service Providers Related to Competitive Renewable Energy Zones and other Special Projects*, Project No. 34560 (July 25, 2007).

entities that intervene in the current docket. Staff has requested that an interested TSP develop a draft protective order and plans to circulate that order for comment. Based on the responses of, Staff expects to file a request for the entry of a protective order promptly.


**Conclusion**

Staff requests that the Commission take action necessary to comply with P.U.C. SUBST. R. 25.174(c)(1) and any future rule concerning selecting entities responsible for transmission improvements necessary to deliver renewable energy from CREZs determined in Docket No. 33672.

Respectfully Submitted,


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**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on this day of  
May 13, 2008, in accordance with P.U.C. PROC. R. 22.74.

  
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Felipe Alonso III