



Enchanted Rock LLC
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January 7, 2022

VIA E-MAIL

Chairman Wayne Christian
Commissioner Christi Craddick
Commissioner Jim Wright
Railroad Commission of Texas
1701 N. Congress
P.O. Box 12967
Austin, TX 78711-2967

Re: Proposed Amendments to 16 TAC §7.455 and §7.305, Regarding Curtailment Standards

Enchanted Rock, LLC. (“Enchanted Rock”) appreciates the opportunity to provide these comments in response to the Railroad Commission’s proposed amendments to 16 TAC §7.455 and §7.305 regarding curtailment standards on November 10, 2021.

Enchanted Rock is a Houston-based microgrid developer, owner, and operator with over 200 natural-gas fired, dual purpose microgrids in operation across Texas. Our dual-purpose microgrids not only provide long duration backup power to customers during grid outages, but also run to provide needed energy back to the grid when our customers are on grid power.

During Winter Storm Uri, Enchanted Rock’s fleet of microgrids was extremely reliable, operating almost continuously over the 8-day period. When 143 of our customers would have experienced grid outages, our microgrids stepped in to maintain electric service, covering approximately 5,000 outage hours at a reliability rate of over 97%. These included large grocery store chains, water facilities, senior living homes, university campuses, and other critical facilities that stayed open to provide important services to the community. When not being used for local resiliency, our microgrids



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provided support via load displacement and export to the ERCOT grid in order to maintain electric power to other human needs customers.

When gas supply was constrained and pipeline pressures dropped, our units maintained operation due to our firm gas supply and delivery contracts, along with our ability to run on significantly lower gas pressures (typically less than 5 PSIG) when compared to large gas combined cycle or combustion turbine fuel requirements. That said, Enchanted Rock did reach out to the Commission on February 12 to seek clarification that on-site generation serving essential facilities and providing emergency service to the grid could continue to run during curtailments for non-essential customers. The Commission issued a very helpful emergency order elevating priority of service to electric generation facilities serving human needs customers on the same day.

With respect to the proposed amendments, Enchanted Rock supports the Commission's approach, and would offer the following recommendation to improve the effectiveness and clarity of the language. In proposed §7.455(d)(1)(B), while we agree that all electric generation should be prioritized, including distributed generation and backup power systems, the Commission has also added the qualification that prioritized fuel deliveries must be "firm." While Enchanted Rock routinely seeks out firm fuel supply and delivery as the primary option for our customers, firm fuel delivery options for distributed generation or backup power systems are sometimes not offered by local distribution companies. To accommodate such cases without having to require local distribution companies to develop firm fuel delivery options by the proposed implementation date of April 2022, the Commission should consider amending the proposed language to: "firm deliveries of natural gas to electric generation facilities or, where firm delivery service is not offered, deliveries of natural gas to electric generation facilities."



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Enchanted Rock also supports the Commission's proposed process requiring utilities to file updated tariffs reflecting the amended curtailment standards. To the extent utilities file modified or customized curtailment plans, it would help provide transparency and better operational awareness for stakeholders if those plans would be listed and linked on the Commission's curtailment plan page online¹.

We commend the Commission and staff for working tirelessly through Winter Storm Uri and its aftermath to improve the reliability and resilience of the Texas energy infrastructure. The proposed amendments represent an important step towards recognizing the interdependence of the gas and electric systems in maintaining critical operations and essential services for Texans. Enchanted Rock encourages the Commission to move forward expeditiously with approval and implementation of the new policy with Enchanted Rock's proposed clarification.

Sincerely,

/s/

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cc: Wei Wang, Executive Director
Kari French, Director, Oversight and Safety Division
Mark Evarts, Director, Market Oversight Section
Natalie Dubiel, Attorney, Office of the General Counsel
Haley Cochran, Attorney, Office of the General Counsel

¹ [Curtailment Plan \(texas.gov\)](#)