

August 26, 2020

PUBLIC VERSION

Dan Brouillette
Secretary of Energy
United States Department of Energy
1000 Independence Ave, SW
Washington, DC 20585

Marcia Hook
TEL: 202.639.7821
FAX: 202.508.9334
marcia.hook@bakerbotts.com

Re: Request for Emergency Order Pursuant to Section 202(c) of the Federal Power Act

Dear Secretary Brouillette:

Pursuant to section 202(c) of the Federal Power Act (“FPA”),¹ Section 301(b) of the Department of Energy Organization Act² and part 370 of the regulations of the Department of Energy (“DOE”),³ CenterPoint Energy Houston Electric, LLC (“CEHE”) respectfully requests that the Secretary of Energy (“Secretary”) determine that an emergency exists in Texas within the meaning of FPA section 202(c), and issue an order authorizing a temporary connection as necessary for CEHE to assist in the restoration of power to Entergy Texas, Inc. (“Entergy”) and electric cooperatives and municipal customers within the State of Texas, and for CEHE to receive similar assistance. Hurricane Laura is expected to make landfall later tonight or early tomorrow near the Texas and Louisiana border as a Category 4 hurricane. Governor Greg Abbott has issued a proclamation declaring a state of disaster in most of east Texas and certifying that Hurricane Laura poses a threat of imminent disaster due to widespread flooding, storm surge, and damaging

¹ 16 U.S.C. § 824a(c).

² 42 U.S.C. §§ 7101 and 7151(b).

³ 10 C.F.R. § 205.370 *et seq.*

winds.⁴ Similarly, Governor John Bel Edwards has declared a state of emergency in Louisiana,⁵ and earlier this week the White House approved Louisiana's request for a federal disaster declaration.⁶

Based on current meteorological forecasts, CEHE anticipates that electrical facilities in or near CEHE's and Entergy's respective service areas could be significantly damaged by Hurricane Laura, leaving portions of the affected areas without electricity for a period of time. CEHE therefore requests authorization to connect, at transmission and distribution levels such as 12.5 kilovolts ("kV") 13.2 kV, 25 kV, 34.5 kV, 69 kV, 138 kV, and 230 kV to the system of Entergy so that CEHE and Entergy may provide emergency assistance to each other if necessary to restore electric service. The proposed connection will occur via an existing, permanent tie-line authorized by the Federal Power Commission for emergency use only pursuant to section 202(d) of the FPA. The tie-line is maintained in open condition on both ends and is only closed in emergency situations that necessitate its use consistent with the FPA and applicable orders. Without this emergency service, restoration of electric service to customers in the area could be delayed.

Consistent with FPA section 202(d) and prior orders regarding these facilities, CEHE requests that the Secretary's order also affirmatively state that during the continuance of an order issued pursuant to this request, any person engaged in the transmission and sale of electric energy

⁴ Proclamation by the Governor of the State of Texas (Aug. 25, 2020), https://gov.texas.gov/uploads/files/press/DISASTER_Laura_disaster_proclamation_update_IMAGE_08-25-2020.pdf.

⁵ State of Louisiana Executive Department, Proclamation Number 108 JBE 2020, State of Emergency – Tropical Storm Laura and Tropical Depression 14 (Aug. 21, 2020), <https://gov.louisiana.gov/assets/Proclamations/2020/108-JBE-2020-SOE-Tropical-Storm-Laura-and-Tropical-Depression-14.pdf>.

⁶ President Donald J. Trump Approves Louisiana Emergency Declaration (Aug. 23, 2020), <https://www.whitehouse.gov/briefings-statements/president-donald-j-trump-approves-louisiana-emergency-declaration-082320/>.

and not otherwise subject to the plenary jurisdiction of the Federal Energy Regulatory Commission (“FERC”) may make such temporary connections with any public utility subject to the plenary jurisdiction of the FERC and shall not become subject to further FERC jurisdiction as a result of that temporary interconnection.

CEHE asserts that the requested emergency authorization is needed to meet an emergency, to provide needed restoration service, and to serve the public interest in addressing service outages to customers. As detailed below, the request is limited to authorization for interconnection of the existing emergency tie-line on a temporary basis and only if such emergency assistance is needed. Further, CEHE will report to DOE when the interconnection is commenced and when it is terminated in accordance with DOE regulations. CEHE respectfully requests that the Secretary make the order effective as of the date of this filing.

I. ENTITIES NAMED IN APPLICATION

CEHE is a transmission and distribution electric utility that operates wholly within the state of Texas. CEHE is a subsidiary of CenterPoint Energy, Inc. (“CenterPoint”), headquartered in Houston, Texas. CenterPoint is a domestic energy delivery company with approximately 2.4 million electric transmission and distribution customers and approximately 3.4 million natural gas distribution customers. CEHE does not make any retail or wholesale sales of electric energy, nor does it own or operate any electric generating facilities.

Entergy Texas, Inc. delivers electricity to more than 461,000 customers in 27 counties. It is a subsidiary of Entergy Corporation. Entergy Corporation is an integrated energy company engaged primarily in electric power production, transmission, and retail distribution operations. Entergy owns and operates power plants with approximately 30,000 megawatts of electric

generating capacity. Entergy delivers electricity to approximately 2.8 million utility customers in Arkansas, Louisiana, Mississippi and Texas.

II. REQUEST FOR EMERGENCY ORDER

Pursuant to FPA section 202(c), if “an emergency exists by reason of a sudden increase in the demand for electric energy, or a shortage of electric energy or of facilities for the generation or transmission of electric energy, or of fuel or water for generating facilities, or other causes” DOE may issue an order requiring the temporary connection of facilities and such delivery, interchange, or transmission of electric energy as it deems appropriate to best meet the emergency and serve the public interest.⁷ DOE’s regulations define “emergency” as “an unexpected inadequate supply of electric energy which may result from the unexpected outage or breakdown of facilities for the generation, transmission or distribution of electric power. Such events may be the result of weather conditions . . .”⁸ Any loss of electricity resulting from Hurricane Laura would constitute an emergency within the meaning of FPA section 202(c) and DOE’s regulations. Further, issuing the requested order is consistent with DOE’s past orders authorizing CEHE to utilize the same facilities to provide emergency service to Entergy in 2005 and 2008 in the aftermath of Hurricanes Rita and Ike, respectively.⁹

Current forecasts project that Hurricane Laura will make landfall early tomorrow morning near the Texas and Louisiana border as a Category 4 hurricane, and likely will result in widespread flooding, storm surge, and damaging winds. Based on these forecasts, Governor Abbott issued a proclamation declaring a state of disaster in most of east Texas, Governor Edwards declared a state

⁷ 16 U.S.C. § 824a(c).

⁸ 10 C.F.R. § 205.371.

⁹ Order No. 202-05-1 (Sept. 28, 2005); Order No. 202-08-1 (Sept. 14, 2008).

of emergency in Louisiana, and the White House approved Louisiana's request for a federal disaster declaration. Given where Hurricane Laura is projected to make landfall, CEHE anticipates that electrical facilities in or near CEHE's and Entergy's respective service areas could be significantly damaged by Hurricane Laura, leaving portions of the affected areas without electricity. Accordingly, CEHE requests authorization to connect, at transmission and distribution levels such as 12.5 kV, 13.2 kV, 25 kV, 34.5 kV, 69 kV, 138 kV, and 230 kV to the system of Entergy if it becomes necessary for either company to provide emergency assistance to restore electric service.

CEHE does not anticipate that any new facilities will be required to provide this emergency service. Instead, CEHE will utilize an existing, permanent 138 kV tie-line located between Dayton and Crosby, Texas, which was authorized by the Federal Power Commission pursuant to Section 202(d) of the FPA for emergency use only.¹⁰ The tie-line is maintained in "open" condition on both ends and is only "closed-in" upon in rare emergency situations that necessitate its use consistent with the FPA and applicable orders.

The duration of the emergency services will be brief and the interconnection will continue only as long as is required to restore reliable service to facilities that are out of service or experiencing threats to reliable service. However, based on past experience, service restoration activities in the aftermath of a major hurricane may take longer than expected. Accordingly, CEHE requests that DOE issue an order with a duration of 45 days, a duration that is consistent with DOE's past emergency orders authorizing the connection of these facilities.¹¹ CEHE will report

¹⁰ See 16 U.S.C. § 824a(d); *Houston Lighting & Power Co.*, 19 FPC 819 (1958).

¹¹ See Order No. 202-05-1 (Sept. 28, 2005) (order duration of 34 days); Order No. 202-08-1 (Sept. 14, 2008) (order duration of 48 days).

to DOE both when interconnection between CEHE and Entergy is initiated pursuant to an emergency order and when that interconnection is terminated.

III. REQUEST FOR FINDING OF NO JURISDICTIONAL EFFECT

CEHE respectfully requests that, in issuing the requested order, the Secretary also specifically find that, consistent with FPA Section 202(d) and prior orders regarding these facilities,¹² during the continuance of an order issued pursuant to this request, any person engaged in the transmission and sale of electric energy and not otherwise subject to FERC's plenary jurisdiction may make such temporary connections with any public utility subject to FERC's plenary jurisdiction and shall not become subject to further FERC jurisdiction as a result of that temporary interconnection.

IV. INFORMATION REQUIRED BY 10 C.F.R. § 205.373

- a. **The exact legal name of the applicant and of all other "entities" named in the application.**

The exact legal name of the applicant is CenterPoint Energy Houston Electric, LLC. The exact legal name of Entergy is Entergy Texas, Inc.

- b. **The name, title, post office address, and telephone number of the person to whom correspondence in regard to the application shall be addressed.**

Correspondence with respect to this application should be directed to:

Patrick Peters Associate General Counsel & Director of Regulatory Affairs 1005 Congress Avenue Suite 650 Austin, TX 78701-2463 (512) 397-3032 patrick.peters@centerpointenergy.com	Marcia Hook Senior Associate Baker Botts L.L.P. 700 K St., N.W. Washington, D.C. 20001 (202) 639-7821 (202) 508-9334 (facsimile) marcia.hook@bakerbotts.com
---	--

¹² Order No. 202-05-1 (Sept. 28, 2005); Order No. 202-08-1 (Sept. 14, 2008).

- c. **The political subdivision in which each “entity” named in the application operates, together with a brief description of the area served and the business conducted in each location.**

See Section I above.

- d. **Daily peak load and energy requirements for each of the past 30 days and projections for each day of the expected duration of the emergency.**

Not applicable.

- e. **All capacity and energy receipts or deliveries to other electric utilities for each of the past 30 days, indicating the classification for each transaction.**

Not applicable.

- f. **The status of all interruptible customers for each of the past 30 days and the anticipated status of these customers for each day of the expected duration of the emergency, assuming both the granting and the denial of the relief requested herein.**

Not applicable.

- g. **All scheduled capacity and energy receipts or deliveries to other electric utilities for each day of the expected duration of the emergency.**

Not applicable.

- h. **A description of the situation and a discussion of why this is an emergency, including any necessary background information. This should include any contingency plan of the applicant and the current level of implementation.**

See Section II above.

- i. **A showing that adequate electric service to firm customers cannot be maintained without additional power transfers.**

See Section II above.

- j. **A description of any conservation or load reduction actions that have been implemented. A discussion of the achieved or expected results or these actions should be included.**

Not applicable.

- k. **A description of efforts made to obtain additional power through voluntary means and the results of such efforts; and a showing that the potential sources of power and/or transmission services designated pursuant to paragraphs (i) through (k) of this section informed that the applicant believed that an emergency existed within the meaning of §205.371.**

Not applicable.

- l. **A listing of proposed sources and amounts of power necessary from each source to alleviate the emergency and a listing of any other “entities” that may be directly affected by the requested order.**

Not applicable.

- m. **Specific proposals to compensate the supplying “entities” for the emergency services requested and to compensate any transmitting “entities” for services necessary to deliver such power.**

There is no proposal to compensate CEHE or Entergy specifically for the emergency services to be provided beyond rates that would generally apply to customers taking similar service.

- n. **A showing that, to the best of the applicant's knowledge, the requested relief will not unreasonably impair the reliability of any “entity” directly affected by the requested order to render adequate service to its customers.**

To the best of CEHE’s knowledge, issuing an emergency order will not unreasonably impair the reliability of any “entity” directly affected by the requested order to render adequate service to its customers. CEHE will coordinate use of the tie with both Entergy and ERCOT.

- o. **Description of the facilities to be used to transfer the requested emergency service to the applicant's system.**

See Section II above.

- p. **If the requested emergency assistance is to be supplied over existing facilities, the following information shall be supplied for each existing interconnection:**

- 1. Location;

See Section II above.

2. Thermal capacity of power transfer capability of interconnection facilities; and

The line rating of the 138 kV tie-line located between Dayton and Crosby, Texas is 137 MVA. See also Section II above.

3. Type and duration of emergency services requested.

See Section II above.

- q. **A general or key map on a scale not greater than 100 kilometers to the centimeter showing, in separate colors, the territory serviced by each “entity” named in the application; the location of the facilities to be used for the generation and transmission of the requested emergency service; and all connection points between systems.**

A map of the facilities to be used for the connection is included as Attachment A. CEHE respectfully requests that the map be designated as Critical Electric Infrastructure Information pursuant to DOE’s regulations at 10 CFR 1004.13.

- r. **An estimate of the construction costs of any proposed temporary facilities and a statement estimating the expected operation and maintenance costs on an annualized basis.**

None.

V. REQUEST FOR WAIVERS

CEHE is willing to furnish any supplemental information DOE may need to process this application. However, CEHE believes that it has provided all the information required by 10 C.F.R § 205.370 *et seq.* that is relevant to its application and requests waiver, to the extent necessary, of any sections that are not applicable to this application.

VI. REQUEST FOR CEII DESIGNATION

The map in Attachment A includes information about a system or asset of the bulk-power system, whether physical or virtual, the incapacity or destruction of which would negatively affect

national security, economic security, public health or safety, or any combination of such matters.

As such, CEHE, requests that the **DIVISION OF POWER SUPPLY AND RELIABILITY**, DOE designate and protect the enclosed map as Critical Electric Infrastructure Information pursuant to DOE's regulations at 10 CFR 1004.13.

VII. CONCLUSION

For the reasons discussed herein, CEHE respectfully requests that DOE issue an order: (1) authorizing temporary connection pursuant to section 202(c) of the FPA so that CEHE may assist Entergy in restoring power to its system; and (2) finding that during the continuance of the order, any person engaged in the transmission and sale of electric energy and not otherwise subject to FERC's plenary jurisdiction may make such temporary connections with any public utility subject to FERC's plenary jurisdiction and shall not become subject to further FERC jurisdiction as a result of that temporary interconnection. CEHE also requests that the Secretary make the order effective as of the date of this filing.

Respectfully submitted,

/s/ Marcia Hook

Marcia Hook

Baker Botts L.L.P.

700 K St., N.W.

Washington, D.C. 20001

(202) 639-7821

(202) 508-9334 (facsimile)

marcia.hook@bakerbotts.com

*Attorney for CenterPoint Energy Houston
Electric, LLC*

Dated: August 26, 2020

ATTACHMENT A

[CONTAINS CEII – EXCLUDED FROM PUBLIC VERSION]

CERTIFICATE OF SERVICE

I hereby certify that this 26th day of August, 2020, I have served the foregoing document upon the following individuals by mail:

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

John Paul Urban
Executive Director
1701 N. Congress Avenue
PO Box 13326
Austin, TX 78711-3326

I hereby certify that this 26th day of August, 2020, I have served the foregoing document upon the following individuals by electronic mail:

Chad V. Seely
VP and General Counsel
Electric Reliability Council of Texas, Inc.
7620 Metro Center Drive
Austin, TX 78744
Telephone: 512-225-7035
Fax: 512-225-7079
Email: chad.seely@ercot.com

Nathan Bigbee
Assistant General Counsel
Electric Reliability Council of Texas, Inc.
7620 Metro Center Drive
Austin, TX 78744
Telephone: 512-225-7093
Fax: 512-225-7079
Email: nathan.bigbee@ercot.com

Andrea J. Weinstein
Vice President, Federal Regulatory Affairs
Entergy Services, Inc.
101 Constitution Ave, N.W.
Suite 200 East
Washington, DC 20001
Telephone: 202-530-7342
Fax: 202-530-7350
Email: aweinst@entergy.com

Gregory Camet
Associate General Counsel
Entergy Services, Inc.
101 Constitution Ave, N.W.
Suite 200 East
Washington, DC 20001
Telephone: 202-530-7322
Fax: 202-530-7350
Email: gcamet@entergy.com

Andre T. Porter
Vice President, General Counsel & Secretary
Midcontinent Independent System Operator, Inc.
720 City Center Drive
Carmel, IN 46032
Telephone: 317-249-5352
Fax: 317-249-5912
Email: misolegal@misoenergy.org

Timothy R. Caister
Deputy General Counsel - Regulatory
Midcontinent Independent System Operator, Inc.
720 City Center Drive
Carmel, IN 46032
Telephone: 317-249-5159
Fax: 317-249-5912
Email: tcaister@misoenergy.org

/s/ Marcia Hook
Marcia Hook
Baker Botts L.L.P.
700 K St., N.W.
Washington, D.C. 2000
(202) 639-7821
marcia.hook@bakerbotts.com