



Control Number: 55837



Item Number: 14

OPEN MEETING COVER SHEET COMMISSIONER MEMORANDUM

MEETING DATE: August 29, 2024

DATE DELIVERED: August 28, 2024

AGENDA ITEM NO.: 15


CAPTION: Project No. 55837 – Review of Value of Lost Load in the ERCOT Market

DESCRIPTION: Chairman Thomas Gleeson Memorandum

Public Utility Commission of Texas

Commissioner Memorandum

TO: Commissioner Lori Cobos
Commissioner Jimmy Glotfelty
Commissioner Kathleen Jackson
Commissioner Courtney K. Hjaltman

FROM: Chairman Thomas J. Gleeson 

DATE: August 28, 2024

RE: August 29, 2024 Open Meeting – Item No. 15
Project No. 55837- *Review of Value of Lost Load in the ERCOT Market*

In this project the Commission is being asked to provide guidance to ERCOT on the Value of Lost Load (VOLL) for use in planning studies and the Performance Credit Mechanism analysis. I appreciate the significant work of everyone involved in compiling the VOLL report including ERCOT, the Brattle Group (Brattle), PlanBeyond, market participants and Commission Staff.

In its August 22, 2024 memo, Staff recommends that VOLL be set at \$30,000 per MWh.¹ The Brattle report recommends that VOLL be set at \$35,685 per MWh.² I believe VOLL should be set at \$35,685 per MWh as recommended by Brattle. Brattle conducted a detailed and thorough analysis which I believe resulted in a reasonable VOLL recommendation. While I appreciate Staff's analysis and recommendation, I believe we should go with the VOLL recommended by Brattle.

I look forward to discussing this matter with you at the open meeting.

¹ See Staff recommendation for VOLL in ERCOT memo at 5, AIS Item 13 (August 22, 2024).

² *Id.*