



Resiliency/Curtailment Priorities Between Gas & Electric Utilities

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Outline

Syllabus For Presentation

- State of Texas Policies
 - Intrastate Gas Transportation Curtailment Priority Requirements
- Federal Policy
 - Federal Energy Regulatory Commission (FERC) Docket No. PR16-11
- Back to State of Texas Policies
 - Texas Railroad Commission (TRRC) Docket No. 10558
- Back to Federal Policy
- Pain Points
- Ongoing Developments

“Jump The Shark”

Meaning and Origin

- “Crossing the point at which something that was once popular no longer warrants the attention it previously received, particularly when attempts at publicity only serve to highlight its irrelevance.” – Wikipedia (en.wikipedia.org)



State of Texas Policies

Intrastate Gas Transportation Curtailment Priority Requirements

- TRRC Order No. 489
 - Issued November 30, 1972.
 - Prior to 1973 Arab oil embargo with rising oil prices.
 - Pipelines provided a fully bundled service.
 - Specified curtailment priorities in Texas in absence of a different filed and approved curtailment program.
 - Curtailments resulting from insufficient gas supply and/or pipeline capacity.
 - Predates FERC Order No. 636 (see Appendix).
- Applicability of Order 489:
 - Intrastate pipelines
 - Local distribution companies

State of Texas Policies

Intrastate Gas Transportation Curtailment Priority Requirements

- Curtailment priority:
 1. Human needs: residences, hospitals, schools, churches, etc.
 - 1-A. Agricultural uses, including irrigation and crop drying.
 2. Small industrial and commercial customers and to avoid serious damage to other industrial customers.
 3. Large users for fuel or raw material where alternate fuel cannot be used.
 4. Large users for boiler or other fuel where alternatives can be used.
 5. Interruptible customers.
- Electric generation priority?

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