

# COMMITTEE REPORTS

## ELECTRICAL COALITION

Johnny Carlock, Pioneer Natural Resources

Johnny Carlock, Power Engineering Supervisor – Pioneer Natural Resources was introduced as the new Electric Coalition Chairman during this quarter’s virtual meeting conducted on June 18, 2020.

During the meeting, members expressed ongoing issues with service providers in two critical areas. The first issue concerns members not receiving timely and/or detailed feedback for electrical outages. The lack of actionable communication is occurring for both transmission and distribution related incidents. There was a slight consensus that performance in this area was previously improving, but members now agree that adequate communication is on the decline. In many instances, requests for outage information go unanswered or are delayed to an extent that customers cannot complete timely evaluations and take appropriate actions. Coalition members will individually request that service providers deliver timely outage information in a consistent format. The submission of this information will be monitored over the next few months and members will report their results for comparison and appropriate action, accordingly. The second ongoing issue is the failure of service providers to notify members of project delays in completing new or upgraded service installations. While members welcomed many of the recent customer-oriented changes (single point of contact, bi-weekly project updates, etc.), these have not adequately eliminated unexplained project delays and missed completion dates. A common scenario is the customer receiving a string of project updates without the provider noting any potential risks and then abruptly, the customer receives a notice of a significant delay, without providing a reasonable basis or corrective action to prevent a future occurrence on comparable projects. Again, members will monitor and document incidents over the next few months for comparison, discussion and the development of proposed procedural changes to the service providers.

Recently, there have been a few reports and news stories released concerning the decline in electrical consumption in the Permian Basin due to O&G production declines resulting from demand destruction (pandemic & pricing war). The University of Chicago authored one such report (see link here: <https://epic.uchicago.edu/insights/with-rigs-going-idle-electricity-use-plummets-in-the-permian-basin/>). This report claimed there was a 40% drop in electrical consumption in the Permian Basin between the start of the pandemic to May 24, 2020. PBPA contacted UC to request the source of the information used in their report and were not provided an adequate response. UC states that ERCOT data was used in reaching their conclusions, but PBPA was unable to independently verify this claim with ERCOT. During the Q2 coalition meeting, members were asked for volunteers to submit electricity demand and energy usage data for the months of November 2019 through May 2020. This data will give us a sample of Permian Basin electrical consumption for comparison to the UC findings. This will not be an exhaustive analysis, but a simple spot check of member producers. No identifying information will be present in any presentation of this information. We anticipate participating members to have their May consumption data available sometime in July 2020.

As stated in the previous report, we will continue working with members of the Coalition to determine a forecast of electricity demand for the remainder of 2020. We continue to urge ERCOT, the PUC, and the PSPs to use this time to “catch-up.”