

**Thomas J. Gleeson**  
Chairman

**Kathleen Jackson**  
Commissioner

**Courtney K. Hjaltman**  
Commissioner



**Greg Abbott**  
Governor

**Connie Corona**  
Executive Director

## *Public Utility Commission of Texas*

---

March 31, 2025

Richard S. Paces  
President  
Hill Country Energy Sub-Regional Planning Commission  
700 Main St., Suite 101  
Kerrville, TX 78028

Dear Mr. Paces,

Thank you for your work serving the people of Kendall and Kerr Counties. We have received your letter requesting that the Public Utility Commission of Texas (PUCT) participate in the Hill Country Energy Sub-Regional Planning Commission (HCESRPC). To help you coordinate your efforts to address development in Kendall and Kerr Counties, I would like to provide some background information on the PUCT's authority related to battery energy storage systems.

Within the HCESRPC's planning area, the PUCT does not have the ability to affect the location or type of electric generation, including batteries. In the ERCOT region, power generation is largely deregulated. Companies do not need permission from the PUCT to build power plants or battery storage facilities. Your letter states that "ERCOT has identified the need for over 900 BESS facilities." ERCOT does not build electric generation nor does ERCOT choose the type and location of electric generation. The type and location of electric generation is made by the developers and investors of each project.

A company that wants to sell power in the wholesale market must register with the PUCT as a power generation company, which includes providing contact information and corporate ownership structure. A directory of those companies can be found on the PUCT website at [https://www.puc.texas.gov/industry/electric/directories/pgc/search\\_pgc.aspx](https://www.puc.texas.gov/industry/electric/directories/pgc/search_pgc.aspx).

Additionally, a power generator must secure an interconnection agreement from the local electric distribution utility and ERCOT before participating in the wholesale energy market. An interconnection agreement is a technical document that establishes how the project will physically connect to the electric grid and participate in the market. The interconnection agreement does not dictate the location or type of electric generation.



Power generation companies, including battery storage, must maintain emergency operations plans to document preparation for a variety of threats, including extreme weather, wildfires, cybersecurity and physical attacks.

The best way for HCESRPC to coordinate the construction of battery energy storage systems in Kendall and Kerr counties is to work directly with the project developers that make those decisions.

I hope this information is helpful.

Regards,

A handwritten signature in cursive script that reads "Mike Hoke".

Mike Hoke  
Director of Public Engagement  
Public Utility Commission of Texas