

Sharyland Utilities' HVDC Interconnection: Part 1





Sharyland Utilities, L.P.

- Newest Investor Owned Utility in Texas
- A "greenfield" utility focusing on power reliability
- Our Service Territory is encompassed by the Master Planned Development of Sharyland Plantation





South Texas Location

- Located in the Cities of Mission and McAllen, TX
- Directly across the border from Reynosa, Tamaulipas, MX
- 150 miles from Financial and Industrial Center of Monterrey, Nuevo Leon, MX





The Master Plan

- South Texas Metro Area
 - Young Work Force
 - Economy
- Reynosa, Tamaulipas, MX
 - Large Industrial Parks
 - Fortune 500 Companies
- Monterrey, Nuevo Leon, MX
 - Industrial Center





What is an HVDC Tie?

- Power transfer between grids (states/countries)
- Provides "firewall" protection for each side
- Neglects the system characteristics to allow them to be matched. (Asynchronous Tie)





South Texas Infrastructure







Sharyland HVDC Project

- 150 MW Back-to-Back HVDC tie expandable to 300 MW
- Classic Technology
- Operating at:
 - 138 kV AC
 - +/- 21 kV DC
- In-Service October 2007





Basic Criteria

- The Interconnection must be "open-access".
 By Tariff design, the unit is open to all users.
- The technology must block disturbances from spreading into either system.
 - The inherent nature of DC technology acts as a firewall to prevent disturbances from spreading system to system.
- It must provide for all of its own Reactive Power support.
 - Additional filter capacity (Var support) provides for rapid injections of power from CFE into ERCOT and vice-versa during periods when peak loads or disturbances require additional support.



Basic Criteria

- It must provide for frequency regulation and maintain voltage at appropriate levels.
 - The control system can control or follow the frequency.
- Load pick-up and/or the ability for BlackStart in the range of 25 MW to full rated capacity was required.
 - Not inherent to conventional HVDC. However, BlackStart capability was achieved with the addition of a bypass circuit.
 - "Make-Before-Break" capability during restoration of power



Design Issues

Load Flow and Contingency Stability Studies

- Determine power flow levels and system response in various contingency situations
 - Loss of lines
 - Loss of generation
- Dynamic system response
 - Reactive support
 - Voltage and current disturbance



Case 1: Three-phase-to-ground fault at Aeropuerto 400 kV on line to Villa de García. Fault clearing in 6 cycles.



Design Issues

Subsynchronous Torsional Interaction - SSTI

Determine the effects of vibration due to oscillation on the turbine-generator shafts on the AC Network in the vicinity of the unit.





Design Issues

Additional Issues

- Short Circuit Ratio



- Determine Harmonic effects
- Protection Coordination
- BlackStart Sequence Coordination
- Over and under voltage Coordination



Regulatory and Permitting

Presidential Permit from the United States Department of Energy

- Justification of need
- Environmental
- Operational Requirements
- **Certificate of Convenience and Necessity (CCN) from the Public Utility Commission of Texas**
 - Stakeholder discussions
 - Commercial Policy implications



Regulatory and Permitting

Physical Permits

- US Army Corps of Engineer
- International Boundary and Water Commission
 - Clearance over navigable waters
 - Hydrology issues
 - Levee considerations
- Mexican Counterparts
 - CILA





Regulatory and Permitting

Interconnection Agreement - Sharyland Utilities and Comisión Federal de Electricidad (CFE)

System Support Agreement - Electric Reliability Council of Texas and Comisión Federal de Electricidad (CFE)

ERCOT Requirements - Protocols Revisions and changes to the Operating Guides

FERC Jurisdictional Issues - Declaratory Order



Mutual Benefits

- Enhances system reliability
- Provides access to additional generation resources
- Provides access to new wholesale markets
- Reduces environmental impact through avoidance or deferral of new generating facilities



• Reduced electric rates to consumers in both Countries.



Why a DC Tie now?

- Studies emphasize need for interconnections along the Texas and Mexican Border specifically pointing out availability in Brownsville, Laredo and McAllen Areas.
- Infrastructure needed to support growth in the Rio Grande Valley
 - Joint Planning
 - More efficient use of existing infrastructure
- A DC Tie will remain useful even as economic conditions change. It is not a stranded investment.





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