



Texas Nodal Team

Board Update

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Agenda

- ◆ Cost Benefit Study Update
- ◆ ERCOT Protocol Development
- ◆ Comments from Economists
- ◆ Comparison of Texas Nodal Market to other Nodal Markets
- ◆ July 28 Voting



Cost Benefit Study Update

- ◆ Energy Impact Assessment
 - Preliminary results to be shared with the Concept Group on September 22 and the TNT on October 5
- ◆ Implementation Impacts Assessment
 - The deadline for the survey of market participant's was extended in an effort to gather additional responses. Approximately 60 responses were received. Initial results were reviewed with the Concept Group on August 10.
 - KEMA is coordinating with ERCOT staff to determine what additional equipment is needed.
- ◆ Schedule
 - The original schedule allowed for a 2 month review process to allow for CBCG, TNT, TAC and Board review of both the draft and final report
 - Review process was shortened to maintain our September 22 milestone to preview CB results. New schedule was reviewed on August 10.
 - Challenges to run multiple iterations to achieve a positive net benefit before the November 1 filing date will be addressed in a future Open Meeting.



ERCOT Protocol Development

- ◆ Completed Review of Section 1, 4, and 6
- ◆ Working long days with meetings 3-4 days per week.
- ◆ Completion of Round 1 projected to be approximately September 15.
- ◆ We anticipate discussion of the impact on our timeline during the September 21 Board meeting



Comments from Economists

- ◆ Planning a two day workshop between Round 1 and Round 2 (tentatively September 16 and 17) with all three Economists present.
- ◆ Prior to the workshop, TNT will have a planning meeting to define goals for the workshop.
- ◆ Following the workshop, TNT will have several General Sessions to decide how to respond.
- ◆ We anticipate discussion of the impact on our timeline during the September 21 Board meeting.



Comparison of TNM to Other Nodal Markets

- ◆ The PUCT Market Oversight Division (MOD) asked that TNT:
 - Develop a comparison of the Texas Nodal Market to other nodal markets
 - Include adequate explanations of why TNT approved market design elements that vary from practices in other markets
- ◆ During the Open Meeting on July 28, the Commission decided this comparison is not necessary at this time.



July 28 Voting

Vote

Motion to adopt the language in Section 4.10 (Planning Charter) as submitted by TXU as a wholesale replacement for the Round 1 black-line and consideration in Round 2.

Motion to adopt TXU's revised language in Section 4.9.6.4 on recovery times for ICCP/RTU communication failures for incorporation in the Round 1 black-line and consideration in Round 2.

Result

Approved by a ballot vote of 91.7% in favor and 8.3% opposed.

Approved by a unanimous voice vote with no abstentions. All seven segments were present.



July 28 Voting (cont.)

Vote	Result
<p>Motion to take the boxed language in Section 6.6.8.1.10(4) on Network Security Analysis Ranking & Screening for incorporation in the Round 1 black-line and consideration in Round 2.</p>	<p>Approved by a unanimous voice vote with one abstention by PSEG. All seven segments were present.</p>
<p>Motion to accept the boxed language in Section 6.2 on DC Tie Schedules for incorporation in Round 1 and consideration in Round 2.</p>	<p>Approved by a unanimous voice vote. All seven segments were present.</p>



July 28 Voting (cont.)

Vote	Result
Motion to adopt the boxed language in Section 4.9.1 on reverting to monthly updates of Network Operational Model for incorporation in Round 1 and consideration in Round 2.	Approved by a unanimous voice vote. All seven segments were present.
Motion to adopt the language in Section 4.9.1 on pseudo-devices, as amended, for incorporation in Round 1 and consideration in Round 2.	The motion failed by a ballot vote of 11.1% in favor and 88.9% opposed.



July 28 Voting (cont.)

Vote	Result
<p>Motion to adopt the language 6.6.8.1.10(2) on steps for ERCOT when Security Constrained Economic Dispatch does not solve, as revised, for incorporation in Round 1 and consideration in Round 2.</p>	<p>The motion was approved by unanimous voice vote with abstentions from LCRA and BTU. All seven segments were present.</p>
<p>Motion to approve the language in Section 6.6.8.1.11 on excessive dispatches as submitted by Shams Siddiqi and revised by the group for incorporation in the Round 1 black-line and consideration in Round 2.</p>	<p>The motion was approved by unanimous voice vote. All seven segments were present.</p>