



MEMO

Date: January 9, 2007
To: ERCOT Board of Directors
From: Mark Dreyfus, TAC Chair
Subject: Nodal Protocol Revision Requests

Issue for the ERCOT Board of Directors

ERCOT Board of Director Meeting Date: January 16, 2007

Agenda Item No.: 14b

Issue:

Consideration of Nodal Protocol Revision Requests (NPRRs).

Key Factors Influencing Issue:

The Protocol Revision Subcommittee (PRS) met, discussed the issues and submitted recommendation reports to the Technical Advisory Committee (TAC) regarding the NPRRs described herein. TAC considered the issues and voted to take action on the NPRRs as described below.

- ***NPRR034 - Conforming Section 10 to Nodal Format. Proposed effective date: upon Texas nodal market implementation.*** ERCOT believes the proposed revision and clarification in this NPRR can be absorbed and incorporated into the initial set of business requirements and system design. NPRR034 conforms zonal Protocols Section 10, Metering, to the standardized format used in the nodal Protocols. This NPRR was posted on 10/27/06. The submitter requested deferral until the December meeting to allow for TPTF input. On 12/14/06, PRS voted to recommend approval of NPRR034 as revised by TPTF. There was one opposing vote from the Investor Owned Utility segment. All Market Segments were present for the vote. On 1/4/07, TAC voted to recommend approval of NPRR034 as recommended by PRS. There was one opposing vote from the IOU segment. All Market Segments were present for the vote. Credit WG evaluation pending.
- ***NPRR038 - Synchronization of PRR624. Proposed effective date: upon Texas nodal market implementation.*** ERCOT believes the proposed revision and clarification in this Nodal Protocol Revision Request can be absorbed and incorporated into the current set of business requirements and system design. NPRR038 incorporates relevant language from PRR624, Clarification of Market Participant Default Language, approved by the ERCOT Board of Directors on 12/13/05. This NPRR was posted on 12/6/06. On 12/14/06, PRS voted unanimously to recommend approval as submitted. All Market Segments were present for the vote. On 1/4/07, TAC voted unanimously



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to recommend approval of NPRR038 as recommended by PRS. Credit WG evaluation pending.

The TAC Recommendation Reports and Impact Analyses associated with these NPRRs are included in the Board meeting materials. In addition, these NPRRs and their supporting materials are posted on the ERCOT website at the following link: <http://nodal.ercot.com/protocols/npr/index.html>.

Alternatives:

- (1) Approve the TAC recommendation on NPRRs 034 and 038 as described above or as modified by the Board;
- (2) reject the TAC recommendations; or
- (3) remand any NPRRs to the TAC with instructions.

Conclusion/Recommendation:

As more specifically described above, TAC recommends that the Board approve the NPRRs as described herein.