



**Date:** May 8, 2007  
**To:** Board of Directors  
**From:** Mark Dreyfus, TAC Chair  
**Subject:** Protocol Revision Requests

**Issue for the ERCOT Board of Directors**

**ERCOT Board of Director Meeting Date:** May 16, 2007

**Agenda Item No.:** 14a

**Issue:**

Consideration of Protocol Revision Request (PRRs).

**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 PRRs described herein. TAC considered the issues and voted to take action on the PRRs as described below.

- ***PRR706 – Provisional Qualification for Ancillary Services. Effective date: June 1, 2007. No budgetary impact; no impact to ERCOT staffing; no impact to ERCOT systems; no impact to ERCOT business functions; no impact to grid operations. This PRR provides for a provisional qualification time period for the provision of Ancillary Services (AS) and discontinues the practice of “borrowing” units for AS qualification. PRR706 was posted on January 10, 2007. On February 22, 2007, PRS unanimously voted to recommend approval of PRR706 as submitted. All Market Segments were present for the vote. On March 22, 2007, PRS reviewed the Impact Analysis (IA) and unanimously voted to forward PRR706 to TAC. All Market Segments were present for the vote. On March 30, 2007, TAC unanimously voted to recommend approval of PRR706 as recommended by PRS. All Market Segments were present for the vote. ERCOT credit staff and the Credit Working Group (Credit WG) have reviewed PRR706 and do not believe that it requires changes to credit monitoring activity or the calculation of liability.***
- ***PRR707 – Prioritization and Timing of Transactions Based Upon PRR672 Collaborative Analysis and Retry Process for 814\_20s. Effective date: upon system implementation. Budgetary impact \$50,000 to 100,000, to be managed under Project No. 60008\_01, Terms and Conditions Requirements, Not Limited to Texas Standard Electronic Transaction (SET) Changes; ongoing support cannot be absorbed by current ERCOT Staff (the Full Time Employees (FTEs) described in ERCOT’s PRR672 Phase 3 Impact Analysis [Retail Customer Choice (2 FTEs)] could also perform the work requirements for this PRR); computer system impacts related to this PRR are to be managed under Project No. 60008\_01; no additional business function will be required; no impact to grid operations and practices. This PRR documents the prioritization of transactions at ERCOT; revises transaction timings for Off-Cycle Switches and Off-***

Cycle Drops to Affiliate Retail Electric Provider (AREP); and adds language for New Electric Service Identifier (ESI ID) Creation that explains a retry process for 814\_20, Maintain ESI ID Requests. PRR707 was posted on January 18, 2007. On February 22, 2007, PRS voted to recommend approval of PRR707 as revised by PRS and comments from RMS. There was one (1) abstention from the Municipal Market Segment. All Market Segments were present for the vote. On March 22, 2007, PRS reviewed the IA and unanimously voted to assign a priority of 2-High and a rank of 8.5 to PRR707. All Market Segments were present for the vote. On March 30, 2007, TAC voted to recommend approval of PRR707 as amended by RMS Leadership comments with two (2) abstentions from the Consumer Segment. All Market Segments were present for the vote. ERCOT credit staff and the Credit WG have reviewed PRR707 and do not believe that it requires changes to credit monitoring activity or the calculation of liability.

- ***PRR708 – Data Provided by ERCOT to Transmission and/or Distribution Service Providers (TDSPs).*** *Effective date: June 1, 2007. No budgetary impact; no impact to ERCOT staffing; no impact to ERCOT systems; no impact to ERCOT business functions; no impact to grid operations.* This PRR requires ERCOT to provide adjusted interval meter data for Load and generation to a TDSP involved in system planning and operation activities, subject to the protections in Section 1.2, Confidentiality. PRR708 was posted on January 29, 2007. On February 22, 2007, PRS voted to recommend approval of PRR708 as amended by ERCOT Staff comments and PRS. There were two (2) abstentions from the Consumer and Municipal Market Segments. All Market Segments were present for the vote. On March 22, 2007, PRS reviewed the IA and unanimously voted to forward PRR708 to TAC. All Market Segments were present for the vote. On March 30, 2007, TAC unanimously voted to recommend approval of PRR708 as recommended by PRS. All Market Segments were present for the vote. ERCOT credit staff and the Credit WG have reviewed PRR708 and do not believe that it requires changes to credit monitoring activity or the calculation of liability.

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

**Alternatives:**

- (1) Approve the TAC recommendation on PRRs 706, 707, and 708 as described above or as modified by the Board;
- (2) reject the TAC recommendation; or
- (3) remand PRRs 706, 707, and 708 to the TAC with instructions.

**Conclusion/Recommendation:**

As more specifically described above, TAC recommends that the Board approve PRRs 706, 707, and 708 as described herein.