



**Date:** May 8, 2007  
**To:** 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:** May 16, 2007

**Agenda Item No.:** 14c

**Issue:**

Consideration of Nodal Protocol Revision Request (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.

- ***NPRR046 – Real-Time ICCP Communications Only. Effective date: upon Texas nodal market implementation. ERCOT believes this NPRR is assumed and reflected in current nodal business requirements and will not increase the nodal budget; it is anticipated that this NPRR will not adversely impact the current nodal project schedules; no impact to ERCOT staffing is anticipated; no impact to planned nodal computer systems is anticipated; no significant additional high-level impacts to business functions are anticipated; no significant additional high-level impacts to grid operations and practices are anticipated.*** This NPRR revises how Qualified Scheduling Entities and Transmission Service Providers communicate with ERCOT in Real-Time and requires that all Real-Time communications use Inter-Control Center Protocol (ICCP) for all communications. This will retire the existing Remote Terminal Unit (RTU) infrastructure used by ERCOT and its Market Participants for data exchange. On March 22, 2007, PRS unanimously voted to recommend approval of NPRR046 revised by ERCOT Staff comments. All Market Segments were present for the vote. On April 20, 2007, PRS reviewed the Impact Analysis (IA) and unanimously voted to forward it to TAC. On May 4, 2007, TAC unanimously voted to recommend approval of NPRR046 as recommended by PRS. All Market Segments were present for the vote. ERCOT credit staff and the Credit Work Group (Credit WG) have reviewed NPRR046 and do not believe that it requires changes to credit monitoring activity or the calculation of liability.
- ***NPRR054 – Update of Nodal Protocols to Comply with NERC Name Change – Companion to PRR711. Effective date: upon Texas nodal market implementation. No incremental cost to ERCOT nodal budget; no impact to ERCOT staffing is anticipated; no impact to nodal system requirements; no business function impact; no grid***



*operations and practices impact.* This NPRR updates nodal Protocol references to reflect the recent NERC name change from North American Electric Reliability Council to North American Electric Reliability Corporation. On March 22, 2007, PRS unanimously voted to recommend approval of NPRR054 as submitted. All Market Segments were present for the vote. On April 20, 2007, PRS reviewed the IA for NPRR054 and unanimously voted to forward it to TAC. All Market Segments were present for the vote. On May 4, 2007, TAC unanimously voted to recommend approval of NPRR054 as recommended by PRS. All Market Segments were present for the vote. ERCOT credit staff and the Credit WG have reviewed NPRR054 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 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 046 and 054 as described above or as modified by the Board;
- (2) reject the TAC recommendation; or
- (3) remand NPRRs 046 and 054 to the TAC with instructions.

**Conclusion/Recommendation:**

As more specifically described above, TAC recommends that the Board approve NPRRs 046 and 054 as described herein.