



# EILS Update

**DSWG**

**March 7, 2008**

- **Current Contract Period Review**
- **Non-IDR Aggregated EILS Resources**
  - Guidelines and Proposal Form
- **Time Periods**
- **June-September 2008 Contract Period Timeline**
- **Changes to Bidding Process**
- **NPRR 107 (EILS in Nodal)**

- **Contracts awarded:**

- Business Hours (HE 0900 through 2000, Mon.-Fri. except ERCOT Holidays; 1,020 hours):

- MW procured: 262
- Number of EILS Resources: 10 (includes 5 aggregations)
- Projected cost: \$2,599,796.40
- Avg. cost per MW per Hour: \$9.73

- Non-Business Hours (all other hours; 1,884 hours):

- MW procured: 185
- Number of EILS Resources: 7 (includes 2 aggregations)
- Projected cost: \$2,740,993.92
- Average cost per MW per Hour: \$7.86

- Total projected cost: \$5.34 million

- **Amended Subst. Rule §25.507 (c)(2)(B) allows exceptions to universal IDR metering for members of EILS aggregations:**
  - “...if a statistically valid alternative to universal IDR metering consistent with industry best practices can be developed and approved by ERCOT.”
- **On Feb. 28, ERCOT distributed a Market Notice and posted to the EILS web page:**
  - Guidelines for Non-IDR metered Load aggregations to participate in EILS
  - Program description & data submission form and affidavit for QSEs to communicate to ERCOT details about their non-IDR metered aggregations

- **Non-IDR Aggregations must meet the standard of ‘industry best practices.’ This includes:**
  - Measurement & Verification (M&V) program must allow ERCOT to assign the aggregation to one of the EILS baseline methodologies (default or alternate)
    - Includes but not limited to Lagged Dynamic Sampling, as described in the Protocols and Load Profiling Guides
  - M&V program must allow ERCOT to verify that the aggregation can meet all EILS performance and availability requirements
  - Population must be acceptably homogeneous

# Non-IDR Key Dates

<b>Feb. 28</b>	<b>ERCOT posts guidelines for submission of proposals for Non-IDR EILS aggregations</b>
<b>March 14</b>	<b>QSE Proposals and supporting data for prospective Non-IDR EILS aggregations due at ERCOT. ERCOT will then initiate dialogue and provide feedback and assistance to submitting QSEs.</b>
<b>April 1</b>	<b>ERCOT issues final decisions on QSE proposals for prospective Non-IDR aggregations. May include rejection, approval, or conditional approval pending QSE installation of M&amp;V program as prescribed by ERCOT</b>

# Time Periods (weekdays except Holidays)

- **Current:**



- **Proposed:**



# June-September 2008 Timeline

<b>April 8</b>	<b>ERCOT issues RFP</b>
<b>April 25</b>	<b>QSEs identify all potential EILS Resources</b>
<b>May 2</b>	<b>ERCOT provides baseline assignments &amp; capacity screening</b>
<b>May 8</b>	<b>QSEs' Notice of Self-Provision due</b>
<b>May 9</b>	<b>QSE Bids and Self-Provision Offers due</b>
<b>May 14</b>	<b>ERCOT notifies Self-Providers of adjustment options</b>
<b>May 16</b>	<b>QSEs' final Self-Provision commitments due</b>
<b>May 16</b>	<b>ERCOT notifies QSEs of EILS awards</b>
<b>May 19</b>	<b>ERCOT issues Market Notice with award results</b>
<b>May 19</b>	<b>ERCOT distributes Standard Form Agreements to QSEs</b>
<b>May 29</b>	<b>QSE contracts due at ERCOT</b>
<b>June 1</b>	<b>First day of operation</b>



- **Procurement process divided into two steps:**
  1. QSEs identify all potential EILS Resources (4/25)
    - ERCOT conducts data analysis
    - ERCOT communicates to QSEs baseline assignment & capacity screening info (5/2)
  2. QSEs use this information in preparing final bids
    - Determine MW capacity of bids
    - Determine declared Minimum Base Loads
    - May reconstitute aggregations
    - May decide not to bid certain resources
    - Bids are due one week later (5/9)
- **These steps will be detailed in the revised Technical Requirements & Scope of Work**
  - Document will be posted to EILS web page in March

- **NPRR 107 posted Feb. 29**
- **Parachutes all existing EILS provisions into the Nodal Protocols with no material changes**
- **EILS is and will continue to be administered manually by ERCOT Staff**
  - Market Operations Support
  - Data Aggregation/Load Profiling
  - System Operations
  - Settlements
  - Legal
- **No capital projects required for Zonal or Nodal**
- **No effect on Nodal project rollout**
- **Impact Analysis is currently under development**

# EILS Zonal to Nodal Map

<b>ZONAL TO NODAL PROTOCOL TRANSITION FOR EILS</b>			
Zonal Section	Description	Nodal Section(s)	Notes
2.1	Definitions	<b>2.1</b>	
2.2	Acronyms	<b>2.2</b>	
6.5.12	Procurement	<b>3.14.3</b>	Contracts for Reliability Resources
6.7.9	Deployment	<b>6.5.8.1 (?)</b>	No corresponding section; this is a guess
New	Clarification on emergency services	<b>6.5.9 (4)</b>	Clarifies EILS does not apply to prohibition of self-arrangement for emergency services
5.6.6.1, 5.6.7	EECP	<b>6.5.9.4</b>	
6.1.13	EILS Description	<b>6.5.9.7</b>	Emergency Operations
6.8.6	Capacity Payments	<b>6.6.11(1)-(2)</b>	New Nodal section
6.9.4.4	Settlement Obligations	<b>6.6.11(3)-(6)</b>	New Nodal section
6.10.13.3	Performance Criteria	<b>8.1.3.1</b>	New Nodal section
6.10.13.2	Testing Requirements	<b>8.1.3.2</b>	New Nodal section
6.10.13.4	Suspension	<b>8.1.3.3</b>	New Nodal section
5.9.3.1	Data Collection	<b>8.1.3.4</b>	New Nodal section
9.5.5	Resettlement	<b>9.14.5</b>	Disputes
16.5	Registration	<b>16.13</b>	New Nodal section
22K	Std Form Agreement	<b>22K</b>	
6.2.1	A/S provided solely by ERCOT	<b>n/a</b>	No comparable section in Nodal Protocols
6.5	A/S Selection & Requirements	<b>n/a</b>	No comparable section in Nodal Protocols

# NPRR 107 Timeline

<i>Date (2008)</i>	<i>Action</i>
<b>March 4</b>	<b>TPTF introduction and initial review</b>
<b>March 7</b>	<b>DSWG discussion</b>
<b>March 13</b>	<b>ROS review</b>
<b>March 19</b>	<b>WMS review</b>
<b>April 1</b>	<b>TPTF final review &amp; possible vote</b>
<b>April 18</b>	<b>PRS consideration &amp; vote</b>
<b>May 22</b>	<b>PRS impact analysis review &amp; vote</b>
<b>June 26</b>	<b>TAC vote</b>
<b>July 15</b>	<b>Board vote</b>

# Questions?

