

TAC Recommendation Report

NPRR Number	095	NPRR Title	Clarify Recipients of MCFRIs
Timeline	Normal	Recommended Action	Approval
Date of Decision	March 6, 2008		
Protocol Sections Requiring Revision	7.7.1, Time Frame of Applicability for McCamey Area Flowgates 7.7.2, Determination of McCamey Area and the McCamey Flowgate(s) 7.7.3, Allocation of McCamey Flowgate Rights (MCFRIs)		
Proposed Effective Date	Upon Texas Nodal Market implementation.		
Priority and Rank Assigned	Not applicable.		
Revision Description	To clarify that MCFRIs are to be allocated to Congestion Revenue Right (CRR) Account Holders, either affiliated with or designated by Wind Generation Resources (WGR) located in the McCamey area.		
Overall Market Benefit	Clarity of direction in Protocols reduces uncertainty about ERCOT actions, thus reducing discord and potential disputes.		
Overall Market Impact	None.		
Consumer Impact	None.		
Credit Impacts	ERCOT credit staff and the Credit Work Group (Credit WG) have reviewed NPRR095 and do not believe that it requires changes to credit monitoring activity or the calculation of liability.		
Procedural History	<ul style="list-style-type: none"> ➤ On 1/2/08, NPRR095 was posted. ➤ On 1/17/08, PRS considered this NPRR. ➤ On 2/14/08, the Impact Analysis (IA) was posted. ➤ On 2/21/08, PRS considered the Recommendation Report and the IA. ➤ On 3/6/08, TAC considered this NPRR. 		
PRS Decision	<p>On 1/17/08, PRS unanimously voted to recommend approval of this NPRR as submitted. All Market Segments attended the vote.</p> <p>On 2/21/08, PRS unanimously voted to forward the Recommendation Report and the IA to TAC for approval. All Market Segments were present for the vote.</p>		
Summary of PRS Discussion	<p>On 1/17/08, there was no discussion.</p> <p>On 2/21/08, there was no discussion.</p>		
TAC Decision	On 3/6/08, TAC unanimously voted to recommend approval of NPRR095 as recommended by PRS. All Market Segments were present for the vote.		

TAC Recommendation Report

Summary of TAC Discussion	On 3/6/08, there was no discussion.
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Quantitative Impacts and Benefits			
Assumptions	1	All CRRs, including MCFRIs, are to be held in a CRR Account.	
	2	CRR Accounts Holders will be tracked as affiliates of QSEs or Resource Entities or both.	
	3		
	4		
Market Cost		Impact Area	Monetary Impact
	1	Benefits of MCFRI ownership.	Will accrue to the CRR Account Holder specified by the Wind Generation Resource Entity.
	2		
	3		
	4		
Market Benefit		Impact Area	Monetary Impact
	1		No change in total MCFRI value distributed.
	2		
	3		
	4		
Additional Qualitative Information	1	Clarity of direction in Protocols reduces uncertainty about ERCOT actions thus reducing discord and potential disputes.	
	2		
	3		
	4		
Other Comments	1		
	2		
	3		
	4		

Comments Received	
Comment Author	Comment Summary
None.	

Original Sponsor	
Name	Trip Doggett on behalf of Transition Plan Task Force (TPTF)
Company	ERCOT
Market Segment	Not applicable.

TAC Recommendation Report

Proposed Protocol Language Revision

7 CONGESTION REVENUE RIGHTS

7.7 Congestion Management in McCamey Area

7.7.1 *Time Frame of Applicability for McCamey Area Flowgates*

The procedures for determining McCamey Flowgate Rights (MCFRIs) and allocating them to ~~QSEs representing~~ Wind-powered Generation Resources (WGRs) in the McCamey Area are applicable until 30 days after the ERCOT Board has approved ERCOT's certification that the sustainable export capability from the McCamey Area is greater than or equal to 900 MW. No more MCFRIs may be allocated 30 days following such action by the ERCOT Board.

7.7.2 *Determination of McCamey Area and the McCamey Flowgate(s)*

- (1) MCFRIs are a type of FGR that must be allocated only to WGRs in the McCamey Area, which is an area of west Texas with an abundance of wind-powered generation for which there are export capability limitations. ERCOT shall determine the boundaries of the McCamey Area and publish maps on the MIS Secure Area indicating the Electrical Buses contained in the McCamey Area.
- (2) ERCOT shall post to the MIS Secure Area the specific predefined directional network element that defines each McCamey Area flowgate. The elements that comprise new McCamey Area flowgates may be established due to changes in the transmission system.
- (3) ERCOT shall identify WGRs eligible for MCFRI allocation in the McCamey Area that:
 - (a) Have demonstrated that the WGR is in commercial operation or is expected to be in commercial operation during the period for which MCFRIs will be allocated. This determination is made at ERCOT's sole discretion;
 - (b) Have significant impact on the most limiting local operational constraint; and
 - (c) Cannot operate their facilities at full capacity simultaneously with other WGRs in the McCamey Area, when all local transmission lines are in service, without violating ERCOT reliability criteria.
- (4) ERCOT shall post on the MIS Public Area a current geographical map and an electrical one-line diagram of the boundaries of the McCamey Area. ERCOT shall revise the map and diagram as necessary to reflect any changes in transmission system configuration or new interconnections of WGRs in west Texas.

TAC Recommendation Report

- (5) WGRs shall designate a CRR Account Holder(s) to receive allocated MCFRIs. ~~ERCOT may allocate MCFRIs only to WGRs in the McCamey Area.~~

7.7.3 Allocation of McCamey Flowgate Rights (MCFRIs)

- (1) ERCOT shall determine the “Capacity Impact” of each McCamey Area WGR eligible for MCFRIs on each McCamey Area flowgate by multiplying the maximum rated output for the WGR times its Shift Factor from the base case transmission model for the corresponding McCamey Area flowgate relative to the Load-weighted average Shift Factor of all Electrical Buses in ERCOT.
- (2) At Prior to each CRR Auction, ERCOT shall allocate 90% of the limit for each McCamey Area flowgate adjusted for impact of allocated PCRRs for the corresponding auction as MCFRIs to each McCamey Area WGR in proportion to its Capacity Impact as a percentage of the sum of all Capacity Impacts for McCamey Area WGRs for the corresponding flowgate. All commercial and committed WGRs in the McCamey Area must be included in the analysis, but MCFRIs may be allocated only to ~~QSEs~~ representing WGRs that are in commercial operation. The determination of available McCamey Area flowgate capacity must account for reduced flowgate element capacities resulting from CRRs already sold or allocated.
- (3) ERCOT shall allocate 90% of McCamey Area flowgate capacity to be auctioned in any particular auction and the DAM, adjusted for PCRR impacts and MCFRIs previously allocated, as MCFRIs to each McCamey Area WGR as described in (2) above 25 days prior to an annual auction, ten Business Days prior to a monthly auction, and by no later than one hour prior to the DAM.