



Date: June 6, 2008
To: ERCOT Board of Directors
From: Mark Dreyfus, Technical Advisory Committee (TAC) Chair
Subject: Nodal Protocol Revision Requests (NPRR)

Issue for the ERCOT Board of Directors

ERCOT Board of Directors (ERCOT Board) Meeting Date: June 17, 2008

Agenda Item No.: 9b

Issue:

Consideration of NPRR105, Section 23, Synchronization of Zonal Protocols, NPRR106, Section 24, Synchronization of Zonal Protocols, NPRR109, Section 18, Synchronization of Zonal Protocols, and NPRR110, Section 20, Synchronization of Zonal Protocols.

Background/History:

Unless otherwise noted: (i) all Market Segments were present for each vote and (ii) ERCOT Credit Staff and the Credit Work Group (Credit WG) have reviewed the revision request and do not believe it requires changes to credit monitoring activity or the calculation of liability.

- ***NPRR105, Section 23, Synchronization of Zonal Protocols [ERCOT]. Proposed effective date: upon implementation of the Texas nodal market. No incremental cost to ERCOT is anticipated; staffing impacts, if any, will be determined through the normal budgeting process; no significant additional high-level impacts to computer systems, business functions, or grid operations and practices are anticipated. This NPRR synchronizes zonal Protocol Section 23, Texas Test Plan Team – Retail Market Testing, with the current nodal Protocols. NPRR105 was posted on 2/26/08. On 3/20/08, PRS unanimously voted to refer NPRR105 to the Transition Plan Taskforce (TPTF) for consideration. On 4/18/08, PRS unanimously voted to recommend approval of NPRR105 as amended by TPTF comments and as revised by PRS with instruction to ERCOT Staff that “section specific” definitions and acronyms be inserted into Section 2, Definitions and Acronyms, through a separate NPRR. On 5/22/08, PRS unanimously voted to endorse and forward the PRS Recommendation Report as amended by ERCOT comments and Impact Analysis to TAC for approval. On 6/5/08, TAC unanimously voted to recommend approval of NPRR105 as recommended by PRS.***
- ***NPRR106, Section 24, Synchronization of Zonal Protocols [ERCOT]. Proposed effective date: upon implementation of the Texas nodal market. No incremental cost to ERCOT is anticipated; staffing impacts, if any, will be determined through the normal budgeting process; no significant additional high-level impacts to computer systems, business functions, or grid operations and practices are anticipated. This NPRR synchronizes zonal Protocol Section 24, Retail Point to Point Communications, with the current nodal Protocols. NPRR106 was posted on 2/26/08. On 3/20/08, PRS unanimously voted to refer NPRR106 to TPTF for consideration. On 4/18/08, PRS***

unanimously voted to recommend approval of NPRR106 as amended by TPTF comments and as revised by PRS with instruction to ERCOT Staff that “section specific” definitions and acronyms be inserted into Section 2, Definitions and Acronyms, through a separate NPRR. On 5/22/08, PRS unanimously voted to endorse and forward the PRS Recommendation Report as amended by ERCOT comments and Impact Analysis to TAC for approval. On 6/5/08, TAC unanimously voted to recommend approval of NPRR106 as recommended by PRS.

- ***NPRR109, Section 18, Synchronization of Zonal Protocols [ERCOT]. Proposed effective date: upon implementation of the Texas nodal market. No incremental cost to ERCOT is anticipated; Staff impacts, if any, will be determined through the normal budgeting process; no significant additional high-level impacts to computer systems, business functions, or grid operations and practices are anticipated.*** This NPRR synchronizes zonal Protocol Section 18, Load Profiling, with the current nodal Protocols. NPRR109 was posted on 3/3/08. On 3/20/08, PRS unanimously voted to refer NPRR109 to TPTF for consideration. On 4/18/08, PRS unanimously voted to recommend approval of NPRR109 as amended by TPTF comments and ERCOT comments and as revised by PRS with instruction to ERCOT Staff that “section specific” definitions and acronyms be inserted into Section 2, Definitions and Acronyms, through a separate NPRR. On 5/22/08, PRS unanimously voted to endorse and forward the PRS Recommendation Report as amended by ERCOT comments and Impact Analysis to TAC for approval. On 6/5/08, TAC unanimously voted to recommend approval of NPRR109 as recommended by PRS.
- ***NPRR110, Section 20, Synchronization of Zonal Protocols [ERCOT]. Proposed effective date: upon implementation of the Texas nodal market. No incremental cost to ERCOT is anticipated; Staff impacts, if any, will be determined through the normal budgeting process; no significant additional high-level impacts to computer systems, business functions, or grid operations and practices are anticipated.*** This NPRR synchronizes zonal Protocol Section 20, Alternative Dispute Resolution Procedure, with the current nodal Protocols. NPRR110 was posted on 3/3/08. On 3/20/08, PRS unanimously voted to refer NPRR110 to TPTF for consideration. On 4/18/08, PRS unanimously voted to recommend approval of NPRR110 as amended by TPTF comments and COPS comments and as revised by PRS to strike Section specific definitions, with instruction to ERCOT Staff to place these definitions in Section 2 through a separate NPRR. On 5/22/08, PRS unanimously voted to endorse and forward the PRS Recommendation Report as amended by ERCOT comments and Impact Analysis to TAC for approval. On 6/5/08, TAC unanimously voted to recommend approval of NPRR110 as recommended by PRS.

The TAC Recommendation Reports and Impact Analyses for these NPRRs are included in the ERCOT Board meeting materials. In addition, these NPRRs and supporting materials are posted on the ERCOT website at the following link:

<http://nodal.ercot.com/protocols/npr/index.html>

**Key Factors Influencing Issue:**

The PRS met, discussed the issues, and submitted recommendation reports to TAC regarding the NPRRs described herein. TAC considered the issues and voted to take action on these NPRRs as described above.

Alternatives:

1. Approve the TAC recommendation on NPRR105, NPRR106, NPRR109, and/or NPRR110 as described above or as modified by the ERCOT Board;
2. Reject the TAC recommendation; or
3. Remand NPRR105, NPRR106, NPRR109, and/or NPRR110 to TAC with instructions.

Conclusion/Recommendation:

As more specifically described above, TAC recommends that the ERCOT Board approve NPRR105, NPRR106, NPRR109, and NPRR110 as described herein.



ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.
BOARD OF DIRECTORS RESOLUTION

WHEREAS, the Electric Reliability Council of Texas, Inc. (ERCOT) Board of Directors (Board) deems it desirable and in ERCOT's best interest to approve NPRR105, Section 23, Synchronization of Zonal Protocols, NPRR106, Section 24, Synchronization of Zonal Protocols, NPRR109, Section 18, Synchronization of Zonal Protocols, and NPRR110, Section 20, Synchronization of Zonal Protocols. .

THEREFORE be it RESOLVED, that the ERCOT Board hereby approves NPRR105, NPRR106, NPRR109 and NPRR110.

CORPORATE SECRETARY'S CERTIFICATE

I, Michael G. Grable, Corporate Secretary of ERCOT, do hereby certify that, at its June 17, 2008 meeting, the ERCOT Board of Directors passed a motion approving the above Resolution by a vote of _____.

IN WITNESS WHEREOF, I have hereunto set my hand this _____day of _____, 2008.

Michael G. Grable
Corporate Secretary