



Date: September 9, 2008
To: ERCOT Board of Directors
From: Mark Dreyfus, Technical Advisory Committee (TAC) Vice Chair
Subject: Nodal Protocol Revision Requests (NPRRs)

Issue for the ERCOT Board of Directors

ERCOT Board of Directors (ERCOT Board) Meeting Date: September 16, 2008

Agenda Item No.: 10a

Issue:

Consideration of NPRR126, Section 19, 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.

- ***NPRR126, Section 19, Synchronization of Zonal Protocols [ERCOT]. Proposed effective date: upon Texas Nodal Market Implementation. 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 19 with the current Nodal Protocols. NPRR126 was posted on April 14, 2008. On May 22, 2008, the Protocol Revision Subcommittee (PRS) unanimously voted to refer NPRR126 to the Transition Plan Task Force (TPTF) for review. On July 17, 2008, PRS unanimously voted to recommend approval of NPRR126 as amended by the Retail Market Subcommittee (RMS) comments dated June 12, 2008. On August 21, 2008, PRS unanimously voted to endorse and forward the PRS Recommendation Report and Impact Analysis to TAC. On September 4, 2008, TAC unanimously voted to recommend approval of NPRR126 as recommended by PRS.

The TAC Recommendation Report and Impact Analysis for this NPRR are included in the ERCOT Board meeting materials. In addition, this NPRR 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 NPRR described herein. TAC considered the issues and voted to take action on this NPRR as described above.

**Alternatives:**

1. Approve the TAC recommendation on NPRR126 as described above or as modified by the ERCOT Board;
2. Reject the TAC recommendation; or
3. Remand NPRR126 to TAC with instructions.

Conclusion/Recommendation:

As more specifically described above, TAC recommends that the ERCOT Board approve NPRR126 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 NPRR126, Synchronization of Zonal Protocols.

THEREFORE be it RESOLVED, that the Board hereby approves NPRR126.

CORPORATE SECRETARY'S CERTIFICATE

I, Michael G. Grable, Corporate Secretary of ERCOT, do hereby certify that, at its September 16, 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