



Date: July 8, 2008
To: ERCOT Board of Directors
From: Mark Dreyfus, Technical Advisory Committee (TAC) Chair
Subject: Protocol Revision Requests (PRRs)

Issue for the ERCOT Board of Directors

ERCOT Board of Directors (ERCOT Board) Meeting Date: July 15, 2008

Agenda Item No.: 7b

Issue:

Consideration of the following PRRs:

- PRR757, Emergency Interruptible Load Service (EILS) Formula Correction
- PRR759, Changes to Notification to Customer of Service Establishment
- PRR760, EILS Availability Factor Clarification
- PRR761, Inadvertent Energy Account Revision

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 requests and do not believe it requires changes to credit monitoring activity or the calculation of liability.

- ***PRR757, Emergency Interruptible Load Service Formula Correction [ERCOT]. Proposed effective date: August 1, 2008. No budgetary impact; no additional full-time equivalents needed; no system changes required; existing business processes can accommodate this PRR; no impact to grid operations.*** This PRR corrects equations and variable subscripts to delete the undefined term “EILS Business Hours.” PRR757 and its Impact Analysis (IA) were posted on March 7, 2008. On April 18, 2008, the Protocol Revisions Subcommittee (PRS) unanimously voted to recommend approval of PRR757 as revised by PRS. On May 22, 2008, PRS unanimously voted to endorse and forward the PRS Recommendation Report as amended by ERCOT comments and IA to TAC for approval. On June 5, 2008, TAC voted to recommend approval of PRR757 as recommended by PRS. There were two abstentions from the Independent Power Marketer (IPM) Market Segment.
- ***PRR759, Changes to Notification to Customer of Service Establishment [ERCOT]. Proposed effective date: August 1, 2008. No budgetary impact; no additional full-time equivalents needed; no system changes required; existing business processes can accommodate this PRR; no impact to grid operations.*** This PRR aligns Protocol Section 15.1.4.3, Notification to Customer of Service Establishment, with paragraph (l)(1) of P.U.C. SUBST. R. 25.474, Selection of Retail Electric Provider. This PRR will eliminate the move-in Customer notification. PRR759 and its IA were posted on March 19, 2008. On April 18, 2008, PRS unanimously voted to recommend approval of PRR759 as

submitted. On May 22, 2008, PRS unanimously voted to endorse and forward the PRS Recommendation Report and IA to TAC for approval. On June 5, 2008, TAC voted to recommend approval of PRR759 as submitted and recommended that the ERCOT Board direct ERCOT Staff to remove the costs related to move-in notifications from the 2009 system administration fee filing to be made at the PUCT later this year. There were eight opposing votes from the Municipal, Cooperative (4) and Investor Owned Utility (IOU) (3) Market Segments and two abstentions from the Independent Generator and IPM Market Segments.

- ***PRR760, Emergency Interruptible Load Service (EILS) Availability Factor Clarification [ERCOT]. Proposed effective date: August 1, 2008. No budgetary impact; no additional full-time equivalents needed; no system changes required; existing business processes can accommodate this PRR; no impact to grid operations.*** This PRR clarifies a settlement and compliance provision relating to availability requirements for EILS Resources assigned to the alternate baseline. PRR760 and its IA were posted on March 24, 2008. On April 18, 2008, PRS unanimously voted to recommend approval of PRR760 as submitted. On May 22, 2008, PRS unanimously voted to endorse and forward the PRS Recommendation Report and IA to TAC for approval. On June 5, 2008, TAC voted to recommend approval of PRR760 as recommended by PRS. There was one opposing vote from the IPM Market Segment and one abstention from the IPM Market Segment.
- ***PRR761, Inadvertent Energy Account Revision [ERCOT]. Proposed effective date: August 1, 2008. No budgetary impact; no additional full-time equivalents needed; no system changes required; existing business processes can accommodate this PRR; no impact to grid operations.*** This PRR corrects the definition for an Inadvertent Energy Account. PRR761 was posted on April 16, 2008. On May 22, 2008, PRS unanimously voted to recommend approval of PRR761 as submitted. On June 19, 2008, PRS unanimously voted to endorse and forward the PRS Recommendation Report and IA to TAC for approval. On June 26, 2008, TAC unanimously voted to recommend approval of PRR761 as recommended by PRS.

The TAC Recommendation Reports and IAs for these PRRs are included in the ERCOT Board meeting materials. In addition, these PRRs and supporting materials are posted on the ERCOT website at the following link: <http://www.ercot.com/mktrules/protocols/prr.html>.

Key Factors Influencing Issue:

The PRS met, discussed the issues and submitted a recommendation report to TAC regarding PRR757, PRR759, PRR760, and PRR761. TAC considered the issues and voted to take action on PRR757, PRR759, PRR760, and PRR761 as described above.

**Alternatives:**

1. Approve the TAC recommendation on PRR757, PRR759, PRR760, and/or PRR761, as described above or as modified by the ERCOT Board;
2. Reject the TAC recommendation; or
3. Remand PRR757, PRR759, PRR760, and/or PRR761 to TAC with instructions.

Conclusion/Recommendation:

As more specifically described above, TAC recommends that the ERCOT Board approve PRR757, PRR759, PRR760, and/or PRR761.



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 PRR757, Emergency Interruptible Load Service (EILS) Formula Correction, PRR759, Changes to Notification to Customer of Service Establishment, PRR760, EILS Availability Factor Clarification, and PRR761, Inadvertent Energy Account Revision.

THEREFORE be it RESOLVED, that the Board hereby approves PRR757, PRR759, PRR760, and PRR761.

CORPORATE SECRETARY'S CERTIFICATE

I, Michael G. Grable, Corporate Secretary of ERCOT, do hereby certify that, at its meeting convened on July 15, 2008, the ERCOT Board of Directors passes a motion approving the above resolution by _____.

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

Michael G. Grable
Corporate Secretary