



**Date:** August 12, 2008  
**To:** ERCOT Board of Directors  
**From:** Mark Bruce, Technical Advisory Committee (TAC) Vice-Chair  
**Subject:** Protocol Revision Requests (PRRs)

**Issue for the ERCOT Board of Directors**

**ERCOT Board of Directors (ERCOT Board) Meeting Date:** August 19, 2008

**Agenda Item No.:** 9b

**Issue:**

Consideration of PRR753, PRR Appeals Process, and PRR766, Interim Solution for 15-Minute Settlement of Advanced Meters.

**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.**

- ***PRR753, PRR Appeals Process [ERCOT]. Proposed effective date: September 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 provides for a more structured process for parties to appeal the decisions pertaining to PRRs made by PRS and TAC. This proposal also provides timelines for appealing PRS and TAC decisions and makes accommodating provisions for PRRs on an Urgent timeline. PRR753 was posted on 2/4/08. On 3/20/08, PRS voted to recommend approval of PRR753 as revised by PRS. There was one abstention from the Independent Generator Market Segment. On 4/18/08, PRS unanimously voted to endorse and forward the PRS Recommendation Report and Impact Analysis to TAC. On 5/8/08, TAC voted to recommend approval of PRR753 as recommended by PRS. There were eight objections from the Consumer (4) and Independent Retail Electric Provider (IREP) (4) Market Segments. On 6/17/08, the ERCOT Board remanded PRR753 to TAC with the directive to resolve the following issues: (i) correct the cross reference in Section 21.4.11.2, Appeal of TAC Action; (ii) add a limitation on the distribution of materials that are not timely submitted according to this Section to paragraph (f) of Section 21.4.11.2.1, Appeal of TAC Action – Normal Timeline; (iii) remove unfettered access to an expedited appeal process from paragraph (a) of Section 21.4.11.2.2, Appeal of TAC Action – Expedited Timeline, or develop criteria and a process to determine eligibility for an expedited appeals process; and (iv) review and synchronize the potential timing issues identified during the ERCOT Board discussion, including potential manipulation of the schedule. On 7/17/08, PRS unanimously voted to recommend approval of PRR753 as revised by PRS to address the ERCOT Board concerns. On 8/7/08, TAC unanimously voted to recommend approval of PRR753 as amended by TAC.

- **PRR766, Interim Solution for 15-Minute Settlement of Advanced Meters – URGENT [AEP].** *Proposed effective date: upon system implementation. Recommended Priority and Rank: PR80027\_01, Advanced Metering – Market Changes for PUCT Project 34610; Priority – 1, Rank – 2. Estimated cost in the \$500K - \$1M range; no additional full-time equivalents needed; implementation is expected to impact NAESB, Paperfree, Appworx, MarkeTrak, Lodestar, EIS, and additional hardware and storage - additional ERCOT computer systems may be impacted based on requirements developed during the planning phase; potential for additional/enhanced business process in the following areas – Commercial Operations Data Integrity, Data Aggregation, Load Profiling, Retail Customer Choice, Settlement Metering, and Commercial Operations; no significant additional high-level impacts to grid operations and practices are anticipated.* This PRR will support the interim settlement of all provisioned Advanced Meters using actual fifteen minute data, the same way Interval Data Recorder (IDR) meters are settled today, until the long-term solution developed by Project 34610, Implementation Project Relating to Advanced Metering, or future rulemakings is implemented. PRR766 was posted on 6/20/08. On 7/11/08, PRS granted Urgent status to PRR766. On 7/17/08, PRS unanimously voted to recommend approval of PRR766 as amended by RMS comments and endorsed the Impact Analysis as revised by PRS. On 8/7/08, TAC unanimously voted to recommend approval of PRR766 as recommended by PRS. *Credit review is pending.*

The TAC Recommendation Reports and Impact Analyses 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 PRR753 and PRR766. TAC considered the issues and voted to take action on PRR753 and PRR766 as described above.

#### **Alternatives:**

1. Approve the TAC recommendation on PRR753 and/or PRR766;
2. Reject the TAC recommendation; or
3. Remand PRR753 and/or PRR766 to TAC with instructions.

#### **Conclusion/Recommendation:**

As more specifically described above, TAC recommends that the ERCOT Board approve PRR753 and PRR766.



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

WHEREAS, Electric Reliability Council of Texas, Inc. (ERCOT) Board of Directors (Board) deems it desirable and in ERCOT's best interest to approve PRR753, PRR Appeals Process, and PRR766, Interim Solution for 15-Minute Settlement of Advanced Meters.

THEREFORE be it RESOLVED, that the Board hereby approves PRR753 and PRR766.

**CORPORATE SECRETARY'S CERTIFICATE**

I, Michael G. Grable, Corporate Secretary of ERCOT, a Texas non-profit corporation, do hereby certify that, at its August 19, 2008 meeting, the ERCOT Board 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