



**Date:** June 9, 2009  
**To:** ERCOT Board of Directors  
**From:** Mark Bruce, Technical Advisory Committee (TAC) Chair  
**Subject:** Nodal Protocol Revision Requests (NPRRs)

**Issue for the ERCOT Board of Directors**

**ERCOT Board of Directors (ERCOT Board) Meeting Date:** June 16, 2009

**Agenda Item No.:** 12b

**Issue:**

Consideration of the following NPRRs:

- NPRR141 – Transmission Service Provider (TSP) Energy Storage for Reliability (formerly “TSP and/or Distribution Service Provider (DSP) Energy Storage for Reliability”)
- NPRR172 – Synchronization of Section 15 with PRR782, Clean-up and Corrections to Terminology and Transaction Timings in Protocol Section 15, Customer Registration
- NPRR173 – Reduce the Minimum Quantity for Ancillary Service Offers

**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.

- **NPRR141 – TSP Energy Storage for Reliability (formerly “TSP and/or DSP Energy Storage for Reliability”) [AEP].**

**Proposed Effective Date:** Upon Texas Nodal Market Implementation.

**CEO Determination:** Necessary prior to the Texas Nodal Market Implementation Date.

**ERCOT Impact Analysis:** No budgetary impact; no staffing impacts; no impacts to ERCOT computer systems; no impacts to ERCOT business functions; no impact to grid operations and practices.

**Revision Description:** This NPRR inserts new paragraph (f)(iii) in Section 10.3.3.1, Data Responsibilities, to clarify that metering of energy flows from TSP owned battery storage technology is not required for Settlement. This new paragraph will be limited to the Presidio substation Facilities.

**Procedural History:** NPRR141 was posted on July 21, 2008. On August 21, 2008, the Protocol Revision Subcommittee (PRS) voted to table NPRR141 until the Public Utility Commission of Texas (PUCT) issued a decision regarding the AEP filing. There was one (1) opposing vote from the Investor Owned Utility (IOU) Market Segment and two (2) abstentions from the IOU and Municipal Market Segments. On April 23, 2009, PRS unanimously voted to recommend approval of NPRR141 as amended by the Transition Plan Task Force (TPTF) comments. On May 21, 2009, PRS unanimously voted to endorse and forward the PRS Recommendation Report and Impact Analysis to TAC. On June 4, 2009, TAC unanimously voted to recommend approval of NPRR141 as

amended by ERCOT comments.

- **NPRR172 – Synchronization of Section 15 with PRR782, Clean-up and Corrections to Terminology and Transaction Timings in Protocol Section 15, Customer Registration [TX SET].**

**Proposed Effective Date:** Upon Texas Nodal Market Implementation.

**CEO Determination:** Necessary prior to the Texas Nodal Market Implementation Date.

**ERCOT Impact Analysis:** No budgetary impact; no staffing impacts; no impacts to ERCOT computer systems; no impacts to ERCOT business functions; no impact to grid operations and practices.

**Revision Description:** This NPRR incorporates relevant language from PRR782 approved by the ERCOT Board on February 17, 2009.

**Procedural History:** NPRR172 was posted on April 3, 2009. On April 23, 2009, PRS unanimously voted to recommend approval of NPRR172 as submitted. On May 21, 2009, PRS unanimously voted to endorse and forward the PRS Recommendation Report and Impact Analysis to TAC. On June 4, 2009, TAC unanimously voted to recommend approval of NPRR172 as recommended by PRS.

- **NPRR173 – Reduce the Minimum Quantity for Ancillary Service Offers [DSWG].**

**Proposed Effective Date:** Upon Texas Nodal Market Implementation.

**CEO Determination:** No opinion on whether or not NPRR173 is necessary prior to the Texas Nodal Market Implementation Date.

**ERCOT Impact Analysis:** No budgetary impact; no staffing impacts; no impacts to ERCOT computer systems; no impacts to ERCOT business functions; no impact to grid operations and practices.

**Revision Description:** This NPRR reduces the minimum requirement for Ancillary Service Offers.

**Procedural History:** NPRR173 was posted on April 8, 2009. On April 23, 2009, PRS voted to recommend approval of NPRR173 as submitted with one (1) abstention from the Independent Generator Market Segment. On May 21, 2009, PRS unanimously voted to endorse and forward the PRS Recommendation Report and Impact Analysis to TAC. On June 4, 2009, TAC voted to recommend approval as recommended by PRS with one (1) abstention from the Independent Generator Market Segment.

The TAC Recommendation Reports, Impact Analyses, and CEO Determinations 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 the NPRRs as described above.

**Alternatives:**

1. Approve the TAC recommendation on NPRR141, NPRR172, and/or NPRR173 as described above or as modified by the ERCOT Board;
2. Reject the TAC recommendation on NPRR141, NPRR172, and/or NPRR173;
3. Defer decision on the TAC recommendation on NPRR141, NPRR172, and/or NPRR173; or
4. Remand NPRR141, NPRR172, and/or NPRR173 to TAC with instructions.

**Conclusion/Recommendation:**

As more specifically described above, TAC recommends that the ERCOT Board approve NPRR141, NPRR172, and NPRR173 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: NPRR141 – TSP Energy Storage for Reliability (formerly "TSP and/or DSP Energy Storage for Reliability"); NPRR172 – Synchronization of Section 15 with PRR782, Clean-up and Corrections to Terminology and Transaction Timings in Protocol Section 15, Customer Registration; and NPRR173 – Reduce the Minimum Quantity for Ancillary Service Offers.

THEREFORE be it RESOLVED, that the ERCOT Board hereby approves NPRR141, NPRR172, and NPRR173.

**CORPORATE SECRETARY'S CERTIFICATE**

I, Michael G. Grable, Corporate Secretary of ERCOT, do hereby certify that, at its June 16, 2009 meeting, the ERCOT Board of Directors passed a motion approving the above Resolution by \_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_  
Michael G. Grable  
Corporate Secretary