

# Nodal Advisory Task Force (NATF) Charter

## I. Purpose and Scope

### 1.1 Purpose of NATF

1.1.1 NATF is a subcommittee of the TAC and is subject to the procedures of TAC subcommittees except as outlined herein.

1.1.2 The purpose of the NATF is to:

- A) timely respond to all ERCOT Nodal Project Team's requests for Market Participant input;
- B) assist in transitioning TAC subcommittees to the Nodal environment by providing primary communications to relevant TAC subcommittees regarding Nodal implementation thereby eliminating the need for ERCOT personnel to prepare duplicative reports and presentations to other TAC subcommittees;
- C) assist as requested in assuring that Market Participant's interface software and ERCOT systems operate within the intent of the Nodal Protocols in a production environment;
- D) assist in evaluating Market Participant readiness metrics and scorecards, as requested;
- E) assist and advise as requested to help assure consistency between the Nodal Protocols and system design; and
- F) to the extent requested, assist ERCOT in developing and reviewing its internal business processes and procedures to meet Protocol requirements and to operate successfully in the ERCOT Nodal Market design.

1.1.3 NATF is not responsible for market trials, yet NATF will assist and be involved in Market Trials, as requested.

## II. Participation and Procedures

### 2.1 NATF Membership

2.1.1 NATF shall consist of nine members elected from the Market Segments as described below:

- 1 representative from the Cooperative Segment,
- 1 representative from the Municipal Segment,
- 1 representatives from the Investor Owned Utility (IOU) Segment,
- 1 representative from the Independent Generator Segment,
- 1 representative from the Independent Retail Electric Provider Segment,
- 1 representative from the Independent Power Marketer Segment, and
- 3 representatives from the Consumer Segment – one Industrial Sub-segment, one Commercial Sub-segment, one Residential Sub-segment.

2.1.2 Each Market Segment shall elect its member and one alternate to serve on NATF, except for the Consumer Segment which will elect three members and three alternates as described in 2.1.1.

2.1.3 In the event a NATF member can no longer fulfill her or his responsibilities, the NATF member alternate will act as the NATF member until a replacement NATF member is elected by its Segment/Sub-segment.

2.1.4 Each NATF member shall understand that at NATF meetings and NATF discussions it represents the Segment, not just the member's company.

2.1.5 Each NATF member is required to disseminate relevant information to its Segment, particularly information regarding critical issues, in a timely fashion, including follow-up communications.

2.1.6 Each NATF member should have experience with ERCOT Nodal Protocols as well as experience in:

- A) project management with emphasis on complex projects with significant information technology applications, and/or
- B) reliability operation and function of Nodal electric markets.

2.1.7 It would be helpful for each NATF member to have been involved in the Texas Nodal Team (TNT) process in order to explain and vote upon issues relating to the "intent" in the Nodal Protocols.

- 2.1.8 A Chair and Vice Chair shall be elected by the NATF members by a simple majority vote of NATF.
- 2.1.9 NATF shall evaluate its membership on a quarterly basis to determine if it needs to recommend changes to the NATF membership to TAC.
- 2.2 ERCOT Nodal Project Team Participation
  - 2.2.1 Two or more Nodal Protocol experts from the ERCOT Nodal Project Team will work with NATF.
  - 2.2.2 The ERCOT Nodal Project Team will frame issues and assist NATF members in understanding the issues to be resolved and the potential risks and benefits to ERCOT systems, processes, hardware and software, and impacts to the Nodal schedule and budget.
- 2.3 Voting
  - 2.3.1 Only those members elected under § 2.1 above shall be allowed to cast votes on any motion before NATF except as noted in 2.3.2.
  - 2.3.2 If a Segment's NATF member and its alternate are both unable to attend an NATF meeting, such member may designate in writing either:
    - A) An Alternate Representative who may attend meetings, vote on the elected member's behalf and be counted towards establishing a quorum, or
    - B) A proxy who may attend meetings and vote on the elected member's behalf, but shall not be counted towards establishing a quorum.
  - 2.3.3 The notification of the designation of such Alternate Representative or proxy must be sent to ERCOT and shall be valid for the time period designated by the NATF member.
  - 2.3.4 In order to take action, a quorum of NATF members must participate in the meeting. A quorum is defined as at least one NATF member or alternate of at least four Segments.
  - 2.3.5 At all NATF meetings, each NATF member shall have one vote, except for the Consumer representatives who will have 0.5 votes per member, for a total of 1.5 votes for the Consumer Segment.

2.3.6 NATF members may vote via the telephone or e-mail in order to expedite NATF decisions.

2.3.7 NATF Segments, and Consumer Sub-segments, that abstain from voting shall not have their votes included in the total number of votes from which the requisite percentage of affirmative votes is required for action. For a vote to become a recommendation of NATF, there must be (i) greater than 50% affirmative of the remaining non-abstaining votes and (ii) at least 3.0 affirmative votes. Segments and Sub-segments that are not present shall be included in the total number of votes from which the requisite percentage of affirmative votes is required for action.

2.3.8 Besides the above subsections, NATF will follow Robert's Rules of Order.

## 2.4 Meetings

2.4.1 NATF shall meet at least once a month. NATF shall meet no later than 24 hours after a request by the Texas Nodal Project Team. NATF may meet in person, by teleconference, or by WebEx. NATF shall continue to meet until such time as the TAC dissolves NATF.

2.4.2 All NATF meetings shall be accessible by telephone and ERCOT WebEx and all meetings are open to all ERCOT Market Participants. All Market Participants are entitled to participate (e.g., voice opinions and comments) in person or via the telephone bridge.

2.4.3 Notice of NATF meetings shall be distributed electronically to the NATF members and the NATF distribution list as well as be posted on the ERCOT website.

2.4.4 NATF shall report its activities at each TAC meeting.

## 2.5 Decisions of NATF

2.5.1 Decisions made by NATF may be communicated directly to the ERCOT Nodal Project Team without prior approval from TAC.

2.5.2 All identified deltas between the Nodal Protocols, business processes, and delivered systems will be evaluated by NATF. NATF will make a recommendation as to whether resolution of the delta is required for Nodal Go-Live, can be addressed through a manual work-around, or must be resolved through a change to the Nodal Protocols. Any delta that requires a change to the Nodal Protocols must be addressed through the

Protocol revision process described in Protocol Section 21, Process for Protocol Revision.

2.5.3 The NATF Chair or Vice Chair shall ensure that all NATF decisions are communicated to the TAC distribution list no later than four hours from the NATF decision. In addition, NATF decisions will be posted to the NATF webpage of the ERCOT website within one Business Day.

## 2.6 Appeal Process

2.6.1 All decisions made by NATF may be appealed to TAC.

2.6.2 Any ERCOT Member, Market Participant, Public Utility Commission of Texas (PUC) Staff, Texas Regional Entity (TRE) Staff or ERCOT may appeal a NATF decision. The appeal must be made in writing electronically to TAC no later than 48 hours from the notice of the decision (see 2.5.3).

2.6.3 Any interested ERCOT Member, Market Participant, PUC Staff, TRE Staff or ERCOT may reply to the appeal of the NATF decision, but, must do so within 24 hours of the notice of the appeal.

2.6.4 TAC will vote on the appeal by e-mail subject to TAC Procedure IV. G. Electronic Mail Voting.

2.6.5 TAC's decision will remain in effect until or unless the ERCOT Board overrules it.

2.6.6 The TAC decision regarding the appeal may be appealed to the ERCOT Board in accordance with ERCOT Board Policies and Procedures.