



**Date:** December 8, 2009  
**To:** ERCOT Board of Directors  
**From:** Mark Bruce, 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:** December 15, 2009

**Agenda Item No.:** 16a

**Issue:**

Consideration of the following PRRs:

- PRR821 – Update of Section 21, Process for Protocol Revision
- PRR824 – Primary Frequency Response from Wind-powered Generation Resources (WGRs)
- PRR827 – Find Transaction and Find Electric Service Identifier (ESI) ID Functions on the Market Information System (MIS)
- PRR839 – Revised Resource Category Generic Fuel Costs – URGENT
- PRR840 – Update Trading Hub Conversion for 2010 Congestion Zones – URGENT

**Background/History:**

Unless otherwise noted: (i) all Market Segments were present for each vote and (ii) ERCOT Credit Staff and the Credit Work Group (CWG) have reviewed the revision requests and do not believe it requires changes to credit monitoring activity or the calculation of liability.

- **PRR821 – Update of Section 21, Process for Protocol Revision [ERCOT].**  
**Proposed Effective Date:** January 1, 2010.  
**CEO Determination:** No opinion on whether or not PRR821 is necessary prior to the Texas Nodal Market Implementation Date.  
**ERCOT Impact Analysis:** 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.  
**Revision Description:** This PRR updates Section 21, Process for Protocol Revision, to more effectively align with the current stakeholder process.  
**Procedural History:** PRR821 was posted on July 13, 2009. On August 25, 2009, the Protocol Revision Subcommittee (PRS) unanimously voted to table PRR821 for one (1) month. On September 17, 2009, PRS unanimously voted to recommend approval of PRR821 as submitted. On October 22, 2009, PRS unanimously voted to endorse and forward the September 17, 2009 PRS Recommendation Report as amended by the September 29, 2009 ERCOT comments and Impact Analysis to TAC. On November 5, 2009, TAC unanimously voted to recommend approval of PRR821 as recommended by PRS in the October 22, 2009 PRS Recommendation Report as amended by the NextEra Energy comments and as revised by TAC.

- **PRR824 – Primary Frequency Response from Wind-powered Generation Resources (WGRs) [Reliability and Operations Subcommittee (ROS)].**  
**Proposed Effective Date:** January 1, 2010.  
**CEO Determination:** No opinion on whether or not PRR824 is necessary prior to the Texas Nodal Market Implementation Date.  
**ERCOT Impact Analysis:** No budgetary impact; no additional full-time equivalents needed; no system changes required; no impact to business processes or functions; no impact to grid operations or practices.  
**Revision Description:** This PRR adds a requirement for wind generator control systems to be programmed to respond to frequency deviations by controlling WGR real power output in a way that is similar to governor response for conventional steam generators.  
**Procedural History:** PRR824 was posted on July 21, 2009. On August 25, 2009, PRS unanimously voted to table PRR824 for one (1) month. On September 17, 2009, PRS voted to recommend approval of PRR824 as amended by the September 16, 2009 CPS Energy comments and as revised by PRS with one (1) abstention from the Independent Generator Market Segment. On October 22, 2009, PRS unanimously voted to endorse and forward the September 17, 2009 PRS Recommendation Report as revised by PRS and Impact Analysis to TAC. On November 5, 2009, TAC unanimously voted to recommended approval of PRR824 as recommended by PRS in the October 22, 2009 PRS Recommendation Report and as revised by the October 28, 2009 ERCOT comments.
- **PRR827 – Find Transaction and Find Electric Service Identifier (ESI ID) Functions on the Market Information System (MIS) [ERCOT].**  
**Proposed Effective Date:** January 1, 2010.  
**CEO Determination:** No opinion on whether or not PRR827 is necessary prior to the Texas Nodal Market Implementation Date.  
**ERCOT Impact Analysis:** 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.  
**Revision Description:** This PRR updates the Protocols to reflect current options that Market Participants have to obtain information from ERCOT in order to determine or to verify the ESI ID for a Service Delivery Point (SDP).  
**Procedural History:** PRR827 was posted on August 29, 2009. On September 17, 2009, PRS unanimously voted to recommend approval of PRR827 as amended by the September 2, 2009 Texas Standard Electronic Transaction (SET) Working Group comments. On October 22, 2009, PRS unanimously voted to endorse and forward the September 17, 2009 PRS Recommendation Report as revised by PRS and Impact Analysis to TAC. On November 5, 2009, TAC unanimously voted to recommend approval of PRR827 as recommended by PRS in the October 22, 2009 PRS Recommendation Report.
- **PRR839 – Revised Resource Category Generic Fuel Costs [American Electric Power (AEP)] – URGENT.**  
**Proposed Effective Date:** January 1, 2010.

**CEO Determination:** No opinion on whether or not PRR839 is necessary prior to the Texas Nodal Market Implementation Date.

**ERCOT Impact Analysis:** No budgetary impact; no additional full-time equivalents needed; no system changes required; no impacts to business functions; no impact to grid operations or practices.

**Revision Description:** This PRR revises the Resource Category Generic Fuel Cost (RCGFC) for Direct Current (DC) Tie with non-ERCOT Control Area and Block Load Transfer (BLT) Resources to synchronize with the Nodal Protocols and to allow cost recovery for supplying this service.

**Procedural History:** PRR839 was posted on October 23, 2009. On October 28, 2009, PRS voted to grant PRR839 Urgent status via PRS email vote. On November 19, 2009, PRS voted to recommend approval of PRR839 as revised by the November 18, 2009 AEP comments and as revised by PRS. There were two (2) abstentions from the Municipal and Consumer Market Segments. On December 3, 2009, TAC voted to recommend approval of PRR839 as recommended by PRS in the November 19, 2009 PRS Recommendation Report with three opposing votes from the Consumer Market Segment and one (1) abstention from the Independent Generator Market Segment.

- **PRR840 – Update Trading Hub Conversion for 2010 Congestion Zones [ERCOT] – URGENT.**

**Proposed Effective Date:** January 1, 2010.

**CEO Determination:** No opinion on whether or not PRR840 is necessary prior to the Texas Nodal Market Implementation Date.

**ERCOT Impact Analysis:** No budgetary impact; no additional full-time equivalents needed; no system changes required; no impacts to business functions; no impact to grid operations or practices.

**Revision Description:** This PRR synchronizes the ERCOT Protocols to reflect the 2010 Commercially Significant Constraint (CSC) definitions, approved by the ERCOT Board on September 15, 2009, as it affects the Trading Hub calculations for 2010 (several transmission buses moved between Congestion Zones). As such, the calculation for converting transactions at Trading Hubs to existing Congestion Zones is revised. A similar PRR for 2009, PRR798, was approved by the ERCOT Board on February 17, 2009.

**Procedural History:** PRR840 was posted on November 12, 2009. On November 18, 2009, PRS voted to grant PRR840 Urgent status via PRS email vote. On November 19, 2009, PRS unanimously voted to recommend approval of PRR840 as submitted. On December 3, 2009, TAC unanimously voted to recommend approval of PRR840 as recommended by PRS in the November 19, 2009 PRS Recommendation Report.

The TAC Recommendation Reports, Impact Analyses, and CEO Determinations, if applicable, 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:**

PRS met, discussed the issues and submitted recommendation reports to TAC regarding the PRRs described herein. TAC considered the issues and voted to take action on the PRRs as described above.

**Alternatives:**

1. Approve the TAC recommendation on PRRs 821, 824, 827, 839 and/or 840 as described above or as modified by the ERCOT Board;
2. Reject the TAC recommendation on PRRs 821, 824, 827, 839 and/or 840;
3. Defer decision on the merits of the TAC recommendation on PRRs 821, 824, 827, 839 and/or 840; or
4. Remand PRRs 821, 824, 827, 839 and/or 840 to TAC with instructions.

**Conclusion/Recommendation:**

As more specifically described above, TAC recommends that the ERCOT Board approve PRRs 821, 824, 827, 839 and/or 840.



**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 the following PRRs:

- PRR821 – Update of Section 21, Process for Protocol Revision
- PRR824 – Primary Frequency Response from Wind-powered Generation Resources (WGRs)
- PRR827 – Find Transaction and Find Electric Service Identifier (ESI) ID Functions on the Market Information System (MIS)
- PRR839 – Revised Resource Category Generic Fuel Costs - URGENT
- PRR840 – Update Trading Hub Conversion for 2010 Congestion Zones – URGENT

THEREFORE be it RESOLVED, that the Board hereby approves PRRs 821, 824, 827, 839 and 840.

**CORPORATE SECRETARY'S CERTIFICATE**

I, Michael G. Grable, Corporate Secretary of ERCOT, do hereby certify that, at its December 15, 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 December, 2009.

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