**Date:** December 30, 2009

**To:** TAC Representatives

**From:** Sandy Morris, Protocol Revision Subcommittee (PRS) Chair

**Re:** Consideration of Protocol Revision Requests (PRRs) and Nodal Protocol Revision Requests (NPRRs)

The PRS met and discussed several revision requests and presents the following PRRs and NPRRs to the Technical Advisory Committee (TAC) for consideration this month.

***Unless indicated otherwise, all Market Segments were present for the vote. In addition, unless stated otherwise, the ERCOT Credit Staff and the Credit Work Group (Credit WG) have reviewed the revision requests and do not believe they require changes to credit monitoring activity or the calculation of liability.***

# PRRs Recommended for Approval:

* ***PRR842, Addition of Generic Startup Cost and Minimum Energy Cost for Diesel [STEC] – Urgent.***

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

**CEO Determination:** No opinion on whether or not PRR842 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 functions can accommodate PRR842; no impact to grid operations or practices.

**Revision Description:** This PRR adds generic costs for the Diesel Resource Category, which also includes other gas-fired Resources (including reciprocating engines). This PRR makes the minimum energy costs for diesel consistent with what is currently in the Nodal Protocols.

**Procedural History:** PRR842 was posted on 12/10/09. On 12/16/09, PRS voted to grant PRR842 Urgent status via PRS email vote. On 12/17/09, PRS voted to recommend approval of PRR842 as submitted. There were two opposing votes from the Consumer Market Segment and three abstentions from the Municipal, Independent Retail Electric Provider (IREP) and Independent Generator Market Segments. *Credit review is pending.*

**NPRRs Recommended for Approval**

* ***NPRR194, Synchronization of Zonal Unannounced Generation Capacity Testing Process [ERCOT].***

**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 ERCOT staffing impacts; no impacts to ERCOT computer systems; no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.

**Revision Description:** This NPRR replaces the seasonal testing requirement with unannounced Generation Resource testing and adds a requirement for Qualified Scheduling Entities (QSEs) to seasonally update their Resources’ High Sustainable Limits (HSLs). The NPRR also leverages existing emergency operations Settlement functionality to provide a mechanism to compensate a Generation Resource for the additional energy above the pre-test Security-Constrained Economic Dispatch (SCED) Base Point during the unannounced Generation Resource test period. This NPRR synchronizes the Nodal Protocols with the process added to the zonal Protocols pursuant to PRR750, Unannounced Generation Capacity Testing.

**Procedural History:** NPRR194 was posted on 8/18/09. On 8/25/09, PRS unanimously voted to refer NPRR194 to ROS. On 10/22/09, PRS unanimously voted to table NPRR194 for one month. On 11/19/09, PRS unanimously voted to recommend approval of NPRR194 as revised by the 11/17/09 Luminant comments and as revised by PRS. On 12/17/09, PRS unanimously voted to forward the 11/19/09 PRS Recommendation Report and Impact Analysis for NPRR194 to TAC.

* ***NPRR197, Section 21, Synchronization of Zonal Protocols [ERCOT].***

**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 ERCOT staffing impacts; no impacts to ERCOT computer systems; no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.

**Revision Description:** This NPRR synchronizes zonal Protocol Section 21 with the current Nodal Protocols and includes changes from PRR821, Update of Section 21, Process for Protocol Revision.

**Procedural History:** NPRR197 was posted on 10/30/09. On 11/19/09, PRS unanimously voted to recommend approval of NPRR197 as submitted. On 12/17/09, PRS unanimously voted to forward the 11/19/09 PRS Recommendation Report as amended by the 12/10/09 ERCOT Comments and the Impact Analysis to TAC.

* ***NPRR202, Clarification of Network Operations Model and State Estimator Postings [NATF].***

**Proposed Effective Date:** Pending.

**CEO Determination:** The ERCOT CEO has determined that NPRR202 should proceed through the stakeholder review process.

**ERCOT Impact Analysis:** Preliminary budgetary impact of $50,000 to $100,000; estimated two month effort; impacts to post-Nodal go-live staffing to be evaluated; impacts expected to the Network Model Management System, Current-Day Reports, Enterprise Integration System, Market Information Distribution, Market Information Repository, Enterprise Data Warehouse, and Market Information System; impacts to ERCOT business functions to be determined; no impact to ERCOT grid operations and practices.

**Revision Description:** This NPRR addresses the confidentiality of data in the Network Operations Model and Hourly State Estimator report. The language introduces a newly defined term for redacted-version of the Network Operations Model for non-Transmission Service Providers (TSPs) and also removes Private Use Network data from the Hourly State Estimator report.

**Procedural History:** NPRR202 was posted on 12/10/09. On 12/17/09, PRS voted via roll call vote to recommend approval of NPRR202 as revised by PRS and to forward to TAC. *Credit review is pending.*

**Revision Requests Recommended for Approval and Inclusion in the Parking Deck**

* ***NPRR131, Ancillary Service Trades with ERCOT [NRG Texas].***

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

**CEO Determination:** Not necessary prior to the Texas Nodal Market Implementation Date.

**ERCOT Impact Analysis:** To be determined - Due to “Not Needed for Go-Live” designation by the ERCOT CEO, the Impact Analysis for this item will be conducted at a future date.

**Revision Description:** In today’s zonal market, Resource Entities can, if they choose, procure Ancillary Services from ERCOT. This functionality was omitted in the Nodal Market design. Currently, the Nodal Market design only allows QSEs with Ancillary Service Obligations the option in the Day-Ahead Market (DAM) of either: 1) self-providing, or 2) procuring all or a portion of their obligation from ERCOT. This NPRR would allow QSEs with Ancillary Services responsibilities, i.e., Resource Entities, the same functionality.

**Procedural History:** NPRR131 was posted on 5/15/08. On 5/22/08, PRS unanimously voted to refer NPRR131 to the Transition Plan Task Force (TPTF). On 6/19/08, PRS voted to recommend approval of NPRR131 as amended by TPTF comments. The motion passed with two abstentions from the Consumer and IREP Market Segments. On 7/17/08, PRS unanimously voted to table consideration of NPRR131, pending the development of the Impact Analysis. On 9/24/08, PRS unanimously voted to table consideration of NPRR131, pending the development of the Impact Analysis. On 11/19/09, PRS unanimously voted to table NPRR131. On 12/17/09, PRS unanimously voted to endorse and forward to TAC the 6/19/08 PRS Recommendation Report for NPRR131 as amended by the 12/8/09 ERCOT comments and as revised by PRS.  PRS also unanimously voted to recommend a priority of High for NPRR131.

* ***NPRR181, FIP Definition Revision [Luminant].***

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

**CEO Determination:** Not necessary prior to the Texas Nodal Market Implementation Date.

**ERCOT Impact Analysis:** To be determined - Due to “Not Needed for Go-Live” designation by the ERCOT CEO, the Impact Analysis for this item will be conducted at a future date.

**Revision Description:** This NPRR revises the definition of Fuel Index Price (FIP) to correctly account for the timing difference between ERCOT’s application of the FIP in its systems (midnight to midnight) and the timing of natural gas prices reflected by the index (i.e., hour ending 1000 to 0900). The fuel price index published in Gas Daily, in the Daily Price Survey, under the heading “East-Houston-Katy, Houston Ship Channel” for any particular day reflects natural gas prices available to users from hour ending 1000 of the particular day to hour ending 0900 of the next day (i.e., the normal “gas day”). This NPRR also adds a new definition for the term “Gas Day.”

**Procedural History:** NPRR181 was posted on 6/10/09. On 6/18/09, PRS unanimously voted to table NPRR181 until the “parking deck” issue for NPRRs determined not to be necessary prior to the Texas Nodal Market Implementation Date is resolved. On 11/19/09, PRS unanimously voted to table NPRR181 for one month. On 12/17/09, PRS unanimously voted to recommend approval of NPRR181 as submitted. PRS also unanimously voted to recommend a priority of High and to forward NPRR181 to TAC. *Credit review is pending.*

**Revision Requests Rejected and Failed Motions**

None.

**Revision Requests Withdrawn (no TAC action required)**

None.

*Status of Pending Revision Requests (For Information Purposes Only):*

**Revision Requests Scheduled for Impact Analysis Review at the January 21, 2010 PRS Meeting**

* ***PRR837, Load Used in RMR Studies [PSEG TX].***

**Proposed Effective Date:** Pending.

**CEO Determination:** No opinion on whether or not PRR837 is necessary prior to the Texas Nodal Market Implementation Date.

**ERCOT Impact Analysis:** Pending.

**Revision Description:** This PRR would provide guidance to ERCOT to use the peak Load forecast posted pursuant to P.U.C. Subst. R. 25.505, Resource Adequacy in the Electric Reliability Council of Texas Power Region, for the next 12 months for the Reliability Must-Run (RMR) study. This aligns the Load forecast period with the RMR contract period and ensures that the Load forecast used for the analysis is one with a reasonable probability of occurrence.

**Procedural History:** PRR837 was posted on 10/16/09. On 11/19/09, PRS unanimously voted to table PRR837 for one month. On 12/17/09, PRS voted to recommend approval of PRR837 as revised by the 11/12/09 PSEG TX comments. There was one abstention from the Investor Owned Utility (IOU) Market Segment. *Credit review is pending.*

* ***NPRR198, Load Used in RMR Studies [PSEG TX].***

**Proposed Effective Date:** Pending.

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

**ERCOT Impact Analysis:** Pending.

**Revision Description:** This NPRR would provide guidance to ERCOT to use the peak Load forecast posted pursuant to P.U.C. Subst. R. 25.505, Resource Adequacy in the Electric Reliability Council of Texas Power Region, for the next 12 months for the RMR study. This aligns the Load forecast period with the RMR contract period and ensures that the Load forecast used for the analysis is one with a reasonable probability of occurrence.

**Procedural History:** NPRR198 was posted on 11/10/09. On 11/19/09, PRS unanimously voted to table NPRR198 for one month. On 12/17/09, PRS voted to recommend approval of NPRR198 as revised by the 11/13/09 PSEG TX comments. There was one abstention from the IOU Market Segment. *Credit review is pending.*

* ***NPRR199, Shift Factors by Resource Node [ERCOT].***

**Proposed Effective Date:** Pending.

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

**ERCOT Impact Analysis:** Pending.

**Revision Description:** This NPRR adds the reporting requirement for ERCOT to provide Shift Factors by Resource Node.

**Procedural History:** NPRR199 was posted on 11/20/09. On 12/17/09, PRS unanimously voted to recommend approval of NPRR199 as submitted. *Credit review is pending.*

* ***NPRR200, MMS DC Tie Schedule Data Source [ERCOT].***

**Proposed Effective Date:** Pending.

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

**ERCOT Impact Analysis:** Pending.

**Revision Description:** This NPRR changes the source of Direct Current Tie (DC Tie) Schedules for use by the Market Management System (MMS) to an associated QSE submitted Electronic Tag (e-Tag). This NPRR also revises the definition of DC Tie Schedule and adds a new acronym to Section 2, Definitions.

**Procedural History:** NPRR200 was posted on 11/30/09. On 12/17/09, PRS unanimously voted to recommend approval of NPRR200 as submitted. *Credit review is pending.*

* ***NPRR201, Calculation of Transmission and Distribution Losses [ERCOT].***

**Proposed Effective Date:** Pending.

**CEO Determination:** No opinion on whether or not NPRR201 is necessary prior to the Texas Nodal Market Implementation Date.

**ERCOT Impact Analysis:** No budgetary impact; no ERCOT staffing impacts (However, if NPRR201 is not approved, there is an estimated 1.4 Full Time Equivalent (FTE) increase to perform calculations as currently documented in Nodal Protocols.); no impacts to ERCOT computer systems; no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.

**Revision Description:** This NPRR revises the Nodal Protocol language to align with the current practice for calculation of Transmission Losses and Distribution Losses on a seasonal versus monthly basis.

**Procedural History:** NPRR201 was posted on 12/03/09. On 12/17/09, PRS unanimously voted to recommend approval of NPRR201 as submitted. *Credit review is pending.*

**Revision Requests Deferred or Tabled**

* ***PRR826, Clarification of Resource Definitions and Resource Registration of Self-Serve Generators for Reliability Purposes [ERCOT].***

**Proposed Effective Date:** Pending.

**CEO Determination:** The ERCOT CEO has determined that the PRR826 should proceed through the stakeholder review process.

**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 adds language to acknowledge the existence of Generation Resources that have no or minimal injection onto the ERCOT System that qualify either as distributed generation or are registered with the Public Utility Commission of Texas (PUCT) according to P.U.C. Subst. R. 25.109, Registration of Power Generation Companies and Self-Generators, as a self-generator but yet are required to participate with ERCOT for reliability purposes.

**Procedural History:** PRR826 was posted on 7/24/09. On 8/25/09, PRS unanimously voted to table PRR826 for one month. On 9/17/09, PRS unanimously voted to table PRR826 for one month. On 10/22/09, PRS unanimously voted to table PRR826 for one month. On 11/19/09, PRS unanimously voted to table PRR826. On 12/17/09, PRS unanimously voted to table PRR826 indefinitely. *Credit review is pending.*

* ***PRR834, ERCOT Load Forecast Accuracy [Luminant, CPS, NRG] – Urgent.***

**Proposed Effective Date:** Pending.

**CEO Determination:** Pending.

**ERCOT Impact Analysis:** Pending.

**Revision Description:** This PRR proposes revisions that are intended to monitor and establish performance standards for ERCOT’s Load forecasting of the ERCOT Region and ERCOT Congestion Zones.

**Procedural History:** PRR834 was posted on 9/24/09. On 9/30/09, PRS voted to grant PRR834 Urgent status via PRS email vote. On 10/22/09, PRS voted to table PRR834 for one month with one abstention from the Independent Generator Market Segment. On 11/19/09, PRS unanimously voted to table PRR834 for one month. On 12/17/09, PRS unanimously voted to table PRR834 until after the Load forecasting workshop. *Credit review is pending.*

* ***NPRR156, Transparency for PSS and Full Interconnection Studies [PSEG Texas].***

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

**CEO Determination:** Not necessary prior to the Texas Nodal Market Implementation Date.

**ERCOT Impact Analysis:** To be determined - Due to “Not Needed for Go-Live” designation by the ERCOT CEO, the Impact Analysis for this item will be conducted at a future date.

**Revision Description:** This NPRR proposes updates to Section 1, Overview, to provide transparency to status of Power System Stabilizer (PSS) equipment and interconnection requests.

**Procedural History:** NPRR156 was posted on 9/19/08. On 10/23/08, PRS unanimously voted to table NPRR156. The Cooperative Market Segment was not present for the vote. On 11/20/08, PRS unanimously voted to table NPRR156. On 12/18/08, PRS unanimously voted to table NPRR156 until the 1/22/09 PRS meeting. The Independent Generator Market Segment was not present for the vote. On 1/22/09, PRS voted to recommend approval of NPRR156 as amended by the 12/11/08 PSEG comments. There were three abstentions from the Consumer, Independent Generator and Independent Power Marketer (IPM) Market Segments. On 4/23/09, PRS unanimously voted to recommend approval of NPRR156 as amended by the 4/22/09 PSEG Texas comments. On 5/21/09, PRS unanimously voted to table NPRR156. On 11/19/09, PRS unanimously voted to table NPRR156. On 12/17/09, PRS unanimously voted to table NPRR156.

* ***NPRR190, Clarification of Resource Definitions and Resource Registration of Self-Serve Generators for Reliability Purposes [ERCOT].***

**Proposed Effective Date:** Pending.

**CEO Determination:** The ERCOT CEO has determined that the NPRR190 should proceed through the stakeholder review process.

**ERCOT Impact Analysis:** Pending.

**Revision Description:** This NPRR adds language to acknowledge the existence of Generation Resources that have no or minimal injection onto the ERCOT System that qualify either as distributed generation or are registered with the PUCT according to P.U.C. Subst. R. 25.109, Registration of Power Generation Companies and Self-Generators, as a self-generator but yet are required to participate with ERCOT for reliability purposes.

**Procedural History:** NPRR190 was posted on 7/24/09. On 8/25/09, PRS unanimously voted to table NPRR190 for one month. On 9/17/09, PRS unanimously voted to table NPRR190 for one month. On 10/22/09, PRS unanimously voted to table NPRR190 for one month. On 11/19/09, PRS unanimously voted to table NPRR190. On 12/17/09, PRS unanimously voted to table NPRR190 indefinitely. *Credit review is pending.*

**Revision Requests Pending Input from Another Subcommittee/Task Force**

* ***PRR838, Fast Response Distributed Energy Resource (DER) [Enchanted Rock].***

**Proposed Effective Date:** Pending.

**CEO Determination:** Pending.

**ERCOT Impact Analysis:** Pending.

**Revision Description:** This PRR allows for participation of Distributed Energy Resources (DERs) in Responsive Reserve Service (RRS) on an equivalent basis with synchronous condenser fast-response hydro.

**Procedural History:** PRR838 was posted on 10/22/09. On 11/19/09, PRS unanimously voted to refer PRR838 to ROS with instruction to have the Performance, Disturbance and Compliance Working Group (PDCWG) assist in constructing the DER operational prototype test, to provide transparency to Market Participants on the type of the test and to report the results to ROS. *Credit review is pending.*

* + ***NPRR147, DAM Short Pay Changes [WMS].***

**Proposed Effective Date:** Pending.

**CEO Determination:** Pending.

**ERCOT Impact Analysis:** Pending.

**Revision Description:** This NPRR changes the way short pays to the DAM are handled. This NPRR reallocates short payments using a procedure that draws from the Congestion Revenue Right (CRR) Auction revenue account first and then draws any additional shortfalls from the CRR Balancing Account.

**Procedural History:** NPRR147 was posted on 8/13/08. On 8/21/08, PRS unanimously voted to refer NPRR147 to TPTF for review. On 9/24/08, PRS voted to refer NPRR147 to WMS to consider Reliant’s comments made at TPTF as well as subsequent comments made in response to NPRR147. There was one opposing vote from the IPM Market Segment. On 10/23/08, PRS unanimously voted to table NPRR147 until the 11/20/08 PRS meeting. There was one abstention from the IOU Market Segment. On 11/20/08, PRS unanimously voted to refer NPRR147 to the WMS and Credit WG for consideration. *Credit review is pending.*

**New Revision Requests Scheduled for Consideration at the January 21, 2010 PRS Meeting**

* + ***PRR841, Revise Total ERCOT Wind Power Forecast (TEWPF) [Luminant].***

**Proposed Effective Date:** Pending.

**CEO Determination:** Pending.

**ERCOT Impact Analysis:** Pending.

**Revision Description:** This PRR revises the probability of exceedance percentage applicable to the Total ERCOT Wind Power Forecast (TEWPF) from 80% to 50% to better reflect the total ERCOT Wind-powered Generation Resource (WGR) production that has been historically experienced.

**Procedural History:** PRR841 was posted on 11/30/09. *Credit review is pending.*

* + ***PRR843, Add Regional Planning Section to Protocols [ERCOT].***

**Proposed Effective Date:** Pending.

**CEO Determination:** No opinion on whether or not PRR843 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 ERCOT business functions; no impact to grid operations.

**Revision Description:** This PRR adds the entirety of the RPG Charter and Procedures (Charter) document, as it was recently approved by the ERCOT Board, to the Protocols.

**Procedural History:** PRR843 was posted on 12/18/09. *Credit review is pending.*

* + ***NPRR203, Amend Telemetry Bus Accuracy Requirements [NDSWG].***

**Proposed Effective Date:** Pending.

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

**ERCOT Impact Analysis:** Pending.

**Revision Description:** This NPRR proposes a new term, State Estimator Bus, and proposes language changes to Section 3.10.7.5.2, Continuous Telemetry of the Real-Time Measurements of Bus Load, Voltages, Tap Position, and Flows.

**Procedural History:** NPRR203 was posted on 12/22/09. *Credit review is pending.*

* + ***NPRR204, Update Generic Startup Cost for Reciprocating Engines [STEC].***

**Proposed Effective Date:** Pending.

**CEO Determination:** No opinion on whether or not NPRR204 is necessary prior to the Texas Nodal Market Implementation Date.

**ERCOT Impact Analysis:** Pending.

**Revision Description:** This NPRR adds an Operations and Maintenance (O&M) cost for the “Reciprocating Engines” Resource category to the Resource Category Startup Offer Generic Cap determination.

**Procedural History:** NPRR204 was posted on 12/22/09. *Credit review is pending.*