



Date: March 16, 2010
To: Board of Directors
From: Brad Jones, 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: March 23, 2010

Agenda Item No.: 13a

Issue:

Consideration of the following PRRs:

- PRR837 – Load Used in Reliability Must Run (RMR) Studies
- PRR841 – Revise Total ERCOT Wind Power Forecast (TEWPF)

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.

- **PRR837 – Load Used in RMR Studies [Public Service Enterprise Group, Incorporated – PSEG TX].**

Proposed Effective Date: April 1, 2010.

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

ERCOT Impact Analysis: No budgetary impact; ERCOT staffing impacts of 0.15 to 0.23 full-time equivalents; no impacts to ERCOT computer systems; impacts to ERCOT business functions to modify Steady State Working Group (SSWG) cases which would take an additional four (4) to six (6) days for every RMR study; impacts to resources and business processes in ERCOT grid operations and practices.

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 twelve (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: PRR837 was posted on October 16, 2009. On November 19, 2009, the Protocol Revisions Subcommittee (PRS) unanimously voted to table PRR837 for one (1) month. On December 17, 2009, PRS voted to recommend approval of PRR837 as revised by the November 12, 2009 PSEG TX comments. There was one (1) abstention from the Investor Owned Utility (IOU) Market Segment. On January 21, 2010, PRS unanimously voted to endorse and forward the December 17, 2009 PRS Recommendation Report and Impact Analysis for PRR837 to TAC. On February 4, 2010, TAC unanimously voted to recommend approval of PRR837 as recommended by PRS in the January 21, 2010 PRS Report and as revised by TAC.



- **PRR841 – Revise Total ERCOT Wind Power Forecast (TEWPF) [Luminant].**

Proposed Effective Date: April 1, 2010.

CEO Determination: No opinion on whether or not PRR841 is 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 processes or functions; no impacts to ERCOT grid operations or practices.

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

Procedural History: PRR841 was posted on November 30, 2009. On January 21, 2010, PRS unanimously voted to recommend approval of PRR841 as amended by the December 22, 2009 ERCOT comments. On February 18, 2010, PRS unanimously voted to endorse and forward the January 21, 2010 PRS Report and Impact Analysis for PRR841 to TAC. On March 4, 2010, TAC unanimously voted to recommend approval of PRR841 as recommended by PRS in the February 18, 2010 PRS Report.

The TAC Reports, Impact Analyses, and CEO Revision Request Reviews, 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:

The PRS met, discussed the issues and submitted 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 837 and/or 841 as described above or as modified by the ERCOT Board;
2. Reject the TAC recommendation on PRRs 837 and/or 841;
3. Defer decision on the merits of the TAC recommendation on PRRs 837 and/or 841; or
4. Remand PRRs 837 and/or 841 to TAC with instructions.

Conclusion/Recommendation:

As more specifically described above, TAC recommends that the ERCOT Board approve PRRs 837 and 841.



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 Protocol Revision Requests (PRRs):

- PRR837 – Load Used in RMR Studies
- PRR841 – Revise Total ERCOT Wind Power Forecast (TEWPF)

THEREFORE be it RESOLVED, that the Board hereby approves PRRs 837 and 841.

CORPORATE SECRETARY'S CERTIFICATE

I, Michael G. Grable, Corporate Secretary of ERCOT, do hereby certify that, at its March 23, 2010 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 March, 2010.

Michael G. Grable
Corporate Secretary