



Date: June 8, 2010
To: ERCOT Board of Directors
From: Brad Jones, Technical Advisory Committee (TAC) Chair
Subject: Protocol Revision Request (PRR)

Issue for the ERCOT Board of Directors

ERCOT Board of Directors (ERCOT Board) Meeting Date: June 15, 2010

Agenda Item No.: 11a

Issue:

Consideration of PRR849 – Suspension of Annual Commercially Significant Constraint (CSC) Determination – 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.

- **PRR849 – Suspension of Annual CSC Determination [ERCOT] - URGENT.**

Proposed Effective Date: July 1, 2010.

Chief Executive Officer (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 PRR revises Section 7.2.1, Process for Determining CSCs, to suspend CSC analyses for 2010.

Procedural History: PRR849 was posted on May 11, 2010. On May 13, 2010, the motion to grant PRR849 Urgent status failed, via Protocol Revisions Subcommittee (PRS) email vote. On May 20, 2010, PRS unanimously voted to grant PRR849 Urgent status. PRS then unanimously voted to recommend approval of PRR849 as revised by PRS. On June 3, 2010, TAC unanimously voted to recommend approval of PRR849 as recommended by PRS in the May 20, 2010 PRS Report.

The TAC Report, Impact Analysis, and CEO Revision Request Review for this PRR are included in the ERCOT Board meeting materials. In addition, this PRR 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 a report to TAC regarding PRR849 described herein. TAC considered the issues and voted to take action on PRR849 as described above.

**Alternatives:**

1. Approve the TAC recommendation on PRR849 as described above or as modified by the ERCOT Board;
2. Reject the TAC recommendation on PRR849;
3. Defer decision on the merits of the TAC recommendation on PRR849; or
4. Remand PRR849 to TAC with instructions.

Conclusion/Recommendation:

As more specifically described above, TAC recommends that the ERCOT Board approve PRR849.



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 PRR849 – Suspension of Annual CSC Determination.

THEREFORE be it RESOLVED, that the Board hereby approves PRR849.

CORPORATE SECRETARY'S CERTIFICATE

I, Bill Magness, Interim Corporate Secretary of ERCOT, do hereby certify that, at its June 15, 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 June, 2010.

Bill Magness
Interim Corporate Secretary