



Date: July 13, 2010
To: ERCOT 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: July 20, 2010

Agenda Item No.: 16a

Issue:

Consideration of the following PRRs:

- PRR845 – Definition for Interval Data Recorder (IDR) Meters and Optional Removal of IDR Meters at a Premise Where an Advanced Meter can be Provisioned
- PRR846 – Deadlines for Initiating Alternative Dispute Resolution
- PRR847 – Additional Exemptions for Uninstructed Resource Charge

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.

- **PRR845 – Definition for IDR Meters and Optional Removal of IDR Meters at a Premise Where an Advanced Meter Can be Provisioned [Retail Metering Working Group (RMWG)].**

Proposed Effective Date: August 1, 2010

Chief Executive Officer (CEO) Determination: No opinion on whether or not PRR845 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 functions; no impacts to ERCOT grid operations and practices.

Revision Description: This PRR clarifies the meaning of IDR Meter and provides for optional removal of IDR Meters under certain conditions for Premises where an Advanced Meter can be provisioned by the Transmission and/or Distribution Service Provider (TDSP). In addition, due to the proposed definition of an IDR Meter, Protocol references to IDR and/or IDR Meter are being updated to ensure appropriate understanding and usage of the terms.

Procedural History: PRR845 was posted on January 22, 2010. On February 18, 2010, the Protocol Revision Subcommittee (PRS) unanimously voted to recommend approval of PRR845 as amended by the February 9, 2010 ERCOT comments. On March 25, 2010, PRS voted to table PRR845. There was one (1) abstention from the Independent Generator Market Segment. On April 22, 2010, PRS unanimously voted to recommend approval of PRR845 as amended by the April 8, 2010 RMWG comments. On May 20, 2010, PRS voted

to endorse and forward the April 22, 2010 PRS Report and Impact Analysis for PRR845 to TAC. There was one (1) abstention from the Municipal Market Segment. On June 3, 2010, TAC unanimously voted to recommend approval of PRR845 as recommended by PRS in the May 20, 2010 PRS Report.

- **PRR846 – Deadlines for Initiating Alternative Dispute Resolution [Horizon Wind Energy].**

Proposed Effective Date: August 1, 2010

CEO Determination: No opinion on whether or not PRR846 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 functions; no impacts to ERCOT grid operations and practices.

Revision Description: This PRR amends Section 20.3, Informal Dispute Resolution, to establish deadlines for the Alternative Dispute Resolution (ADR) procedures.

Procedural History: PRR846 was posted on February 15, 2010. On February 17, 2010, the motion to grant PRR846 Urgent status failed, via PRS email vote. On February 18, 2010, the motion to re-urge Urgency for PRR846 failed, via PRS roll call vote. On March 25, 2010, PRS unanimously voted to recommend approval of PRR846 as amended by the March 17, 2010 ERCOT comments and as revised by PRS. On April 22, 2010, PRS unanimously voted to table PRR846 for one (1) month. On May 20, 2010, PRS voted to endorse and forward the March 25, 2010 PRS Report as amended by the May 17, 2010 Horizon Wind Energy comments and as revised by PRS and Impact Analysis for PRR846 to TAC via roll call vote. On June 3, 2010, TAC voted to recommend approval of PRR846 as recommended by PRS in the May 20, 2010 PRS Recommendation Report. There was one (1) opposing vote from the Independent Generator Market Segment and three (3) abstentions from the Consumer, Investor Owned Utility (IOU) and the Independent Generator Market Segments.

- **PRR847 – Additional Exemptions for Uninstructed Resource Charge [Formosa].**

Proposed Effective Date: August 1, 2010

CEO Determination: No opinion on whether or not PRR847 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; existing business functions can accommodate this PRR; no impacts to ERCOT grid operations and practices.

Revision Description: This PRR proposes two changes to Section 6.8.1.15.1, Uninstructed Resource Charge Process: (1) when a Qualified Scheduling Entity (QSE) is given a verbal Dispatch Instruction from ERCOT, the QSE shall be exempt from any Uninstructed Resource Charge during the specified verbal Dispatch Instruction time period, provided that the QSE followed instructions to within the Schedule Control Error (SCE) of the verbal Dispatch Instruction given; and (2) after a Load acting as a Resource (LaaR) has been activated, the QSE representing the LaaR can request a three hour extension for scheduling under paragraph (11) of Section 6.10.6, Ancillary Service Deployment Performance Conditions, and during this rescheduling time, a Private Use Network shall not incur



Uninstructed Resource Charges for three hours as the Load returns back to service.

Procedural History: PRR847 was posted on March 15, 2010. On April 22, 2010, PRS unanimously voted to table PRR847. On May 20, 2010, PRS unanimously voted to recommend approval of PRR847 as amended by the May 13, 2010 Formosa comments. On June 17, 2010, PRS unanimously voted to endorse and forward the May 20, 2010 PRS Report as amended by the June 7, 2010 ERCOT comments as revised by PRS and the Impact Analysis for PRR847 to TAC. On July 1, 2010, TAC unanimously voted to recommend approval of PRR847 as recommended by PRS in the June 17, 2010 PRS Report with an effective date of August 1, 2010.

The TAC Reports, Impact Analyses, and CEO Revision Request Reviews 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 reports to TAC regarding the PRRs described herein. TAC considered the issues and voted to take action on PRRs as described above.

Alternatives:

1. Approve the TAC recommendation on PRRs 845, 846, and/or 847 as described above or as modified by the ERCOT Board;
2. Reject the TAC recommendation on PRRs 845, 846, and/or 847;
3. Defer decision on the merits of the TAC recommendation on PRRs 845, 846, and/or 847; or
4. Remand PRRs 845, 846, and/or 847 to TAC with instructions.

Conclusion/Recommendation:

As more specifically described above, TAC recommends that the ERCOT Board approve PRRs 845, 846, and 847.



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):

- PRR845 – Definition for Interval Data Recorder (IDR) Meters and Optional Removal of IDR Meters at a Premise Where an Advanced Meter can be Provisioned
- PRR846 – Deadlines for Initiating Alternative Dispute Resolution
- PRR847 – Additional Exemptions for Uninstructed Resource Charge

THEREFORE be it RESOLVED, that the Board hereby approves PRRs 845, 846 and 847.

CORPORATE SECRETARY'S CERTIFICATE

I, Bill Magness, Interim Corporate Secretary of ERCOT, do hereby certify that, at its July 20, 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 July, 2010.

Bill Magness
Interim Corporate Secretary