



Date: November 9, 2010
To: Board of Directors
From: Brad Jones, Technical Advisory Committee (TAC) Chair
Subject: TAC and TAC Subcommittee Structure Review

Issue for the ERCOT Board of Directors

ERCOT Board of Directors Meeting Date: November 16, 2010

Agenda Item No.: 6d

Issue:

At its July 20, 2010 meeting, the ERCOT Board requested that TAC review its current committee structure and for TAC and ERCOT Staff to provide recommendations at the October 19, 2010 Board meeting. At its October 19, 2010 meeting, the ERCOT Board asked TAC to consider ERCOT Staff recommendations and return to the November 16, 2010 meeting with a consolidated document. TAC submits the revised TAC 2010 Structural and Procedural Review document for ERCOT Board input on implementing the identified structural and procedural improvements.

Background/History:

During discussions at the July 20, 2010 Human Resources and Governance (HR&G) Committee and ERCOT Board meetings, TAC was requested to review its subcommittees for efficiencies and to report back to the ERCOT Board in October. In response to the request, TAC leadership met to brainstorm structural changes and options to gain efficiencies in the stakeholder process and presented their initial findings at the September 2, 2010 TAC meeting. Subsequently, the TAC Structural and Procedural Review document which contained alternative proposals and recommendations discussed at the September TAC meeting was circulated for review and comment.

At its October 7, 2010 meeting, TAC voted on the following recommendations summarized below:

- Each year beginning in July, TAC will conduct a structural and procedural review to report to the October ERCOT Board meeting.
- Structural Improvement Recommendations:
 - Retire the Nodal Advisory Task Force (NATF) post Nodal stabilization.
 - Retire the Renewable Technologies Working Group and incorporate remaining work under the Wholesale Market Subcommittee's (WMS') Emerging Technologies Working Group.
 - Retire the following Retail Market Subcommittee (RMS) Working Groups: Retail Metering Working Group, Retail Advanced Meter Processes Task Force, Texas Test Plan Team, MarkeTrak Task Force and the Meter Tampering Task Force.
- Procedural Improvement Recommendations:
 - TAC and its subcommittees will continue to evaluate the meeting calendar for efficiencies.
 - Utilize a consent agenda for all Nodal Protocol Revision Requests (NPRRs) that are



unanimously approved at the Protocol Revision Subcommittee (PRS).

- Instruct the PRS to develop a set of alternative approaches to encourage the timely filing of comments.
- Request subcommittee recommendations related to the voting structure of each subcommittee.
- Request ERCOT staff to draft an NPRR that reflects a 14 day versus 21 day initial comment period for new NPRRs.

Both TAC and ERCOT Staff provided recommendations at the October 2010 HR&G Committee meeting where it was requested that TAC consider both the TAC and ERCOT recommendations. A revised document was circulated for TAC review and at its November 4, 2010 meeting, TAC voted on open decision points and adopted provisions of the revised 2010 Structural and Procedural Review document, attached hereto as Exhibit A and as summarized below:

- Retain the Market Credit Working Group.
- Revise the subcommittee meeting calendar to switch WMS and RMS meeting dates.
- Retain the current voting structure for the TAC subcommittees.
- Working Groups and Task Forces can formally submit revision requests or comments on revision requests following voted direction of the relevant subcommittee(s). Neither ERCOT nor a Market Participant may characterize such action of Working Groups or Task Forces as approval.
- Request ERCOT staff to draft an NPRR that revises the revision process to allow ERCOT to file administrative NPRRs.

Although ERCOT Board approval is not technically required for TAC to effectuate these recommendations as the changes are either under the purview of the TAC Procedures or an NPRR will be submitted for ERCOT Board final approval, TAC respectfully solicits ERCOT Board input on their course of action detailed in Exhibit A.

Key Factors Influencing Issue:

TAC met, discussed the issues and voted to submit the above recommendation for ERCOT Board input.

Alternatives:

1. Provide feedback on how TAC should proceed in implementing the 2010 Structural and Procedural Review document as described above;
2. Defer decision on the merits of the TAC recommendation on the 2010 Structural and Procedural Review document; or
3. Request further analysis and input from TAC in regards to the 2010 Structural and Procedural Review document.

Conclusion/Recommendation:

As more specifically described above, TAC requests that the ERCOT Board provide feedback on the TAC 2010 Structural and Procedural Review recommendation.