



Date: December 7, 2010
To: ERCOT Board of Directors
From: Brad Jones, Technical Advisory Committee (TAC) Chair
Subject: Nodal Protocol Revision Requests (NPRRs)

Issue for the ERCOT Board of Directors

ERCOT Board of Directors (ERCOT Board) Meeting Date: December 14, 2010

Agenda Item No.: 6a

Issue:

Consideration of the following NPRRs:

- NPRR293 – Requirement to Post Point to Point (PTP) Obligation Quantities Awarded in the Day-Ahead Market (DAM) (formerly “Requirement to Post Congestion Revenue Rights (CRR) Option and Obligation Quantities Cleared in DAM or Taken to Real Time”) – URGENT
- NPRR295 – Synchronization of Protocol for Generation Resource Designation as Mothballed or Decommissioned – 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 request and do not believe it requires changes to credit monitoring activity or the calculation of liability.

- **NPRR293 – Requirement to Post PTP Obligation Quantities Awarded in DAM (formerly “Requirement to Post CRR Option and Obligation Quantities Cleared in DAM or Taken to Real Time”) [Luminant] – URGENT.**
Proposed Effective Date: Upon ERCOT Board approval. Grey-boxed language will be effective upon system implementation – Priority High.
ERCOT Impact Analysis: Pending.
Revision Description: This NPRR adds language to specify the need for ERCOT to post quantities of PTP Obligations that were awarded in the DAM.
Procedural History: NPRR293 was posted on November 14, 2010. On November 18, 2010, the Protocol Revision Subcommittee (PRS) voted to recommend approval of NPRR293 as amended by the November 17, 2010 Luminant Energy comments and as revised by PRS; to assign NPRR293 a priority of High; and to forward NPRR293 to TAC. There was one (1) abstention from the Independent Generator Market Segment. On December 6, 2010, TAC voted to recommend approval of NPRR293 as recommended by PRS in the November 18, 2010 PRS Report and as revised by TAC, to grant NPRR293 Urgent status and to recommend an effective date of “upon ERCOT Board approval” for the non-grey-boxed revisions. There was one (1) opposing vote from the Cooperative Market Segment and one abstention from the Consumer Market Segment.
- **NPRR295 – Synchronization of Protocol for Generation Resource Designation as Mothballed or Decommissioned [ERCOT] – URGENT.**



Proposed Effective Date: January 1, 2011.

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 NPRR synchronizes the Nodal Protocols with zonal Protocol Section 6.5.9.3, Generation Resource Return to Service Updates, regarding return-to-service of Mothballed or Decommissioned Generation Resources. In addition, a clarification was made for removal of Decommissioned Generation Resources from ERCOT registration systems.

Procedural History: NPRR295 was posted on November 11, 2010. On November 18, 2010, PRS unanimously voted to recommend approval of NPRR295 as submitted and to forward NPRR295 and the Impact Analysis to TAC. On December 6, 2010, TAC unanimously voted to recommend approval of NPRR295 as recommended by PRS in the November 18, 2010 PRS Report, to grant NPRR295 Urgent status and to direct the Wholesale Market Subcommittee (WMS) to review the issues set forth in the December 3, 2010 Topaz Power comments.

The TAC Reports, Impact Analyses, and Chief Executive Officer (CEO) Revision Request Reviews for these NPRRs are included in the ERCOT Board meeting materials. In addition, these NPRRs and supporting materials are posted on the ERCOT website at the following link: <http://nodal.ercot.com/protocols/npr/index.html>.

Key Factors Influencing Issue:

PRS met, discussed the issues, and submitted reports to TAC regarding NPRR293 and NPRR295 described herein. TAC considered the issues and voted to take action on NPRR293 and NPRR295 as described above.

Alternatives:

1. Approve the TAC recommendation on NPRR293 and/or NPRR295, as described above or as modified by the ERCOT Board;
2. Reject the TAC recommendation on NPRR293 and/or NPRR295;
3. Defer decision on the TAC recommendation on NPRR293 and/or NPRR295; or
4. Remand NPRR293 and/or NPRR295 to TAC with instructions.

Conclusion/Recommendation:

As more specifically described above, TAC recommends that the ERCOT Board approve NPRR293 and NPRR295 as described herein.



ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.
BOARD OF DIRECTORS RESOLUTION

WHEREAS, after due consideration of the alternatives, the Board of Directors (Board) of Electric Reliability Council of Texas Inc. (ERCOT) deems it desirable and in the best interest of ERCOT to approve the following NPRRs:

- NPRR293 – Requirement to Post Point to Point (PTP) Obligation Quantities Awarded in the Day-Ahead Market (DAM) (formerly “Requirement to Post Congestion Revenue Rights (CRR) Option and Obligation Quantities Cleared in DAM or Taken to Real Time”) – URGENT
- NPRR295 – Synchronization of Protocol for Generation Resource Designation as Mothballed or Decommissioned – URGENT

THEREFORE be it RESOLVED, that the ERCOT Board hereby approve NPRR293 and NPRR295.

CORPORATE SECRETARY’S CERTIFICATE

I, Bill Magness, Corporate Secretary of ERCOT, do hereby certify that, at its December 14, 2010 meeting, the ERCOT Board of Directors passed a motion approving the above Resolution by

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IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of December, 2010.

Bill Magness
Corporate Secretary