



Date: January 11, 2011
To: Board of Directors
From: Kenan Ögelman, Technical Advisory Committee (TAC) Vice Chair
Subject: Nodal Protocol Revision Requests (NPRRs)

Issue for the ERCOT Board of Directors

ERCOT Board of Directors (ERCOT Board) Meeting Date: January 18, 2011

Agenda Item No.: 12a

Issue:

Consideration of the following NPRRs:

- NPRR260 – Providing Access to Market Information System (MIS) Secure Area to MIS Registered Users
- NPRR282 – Dynamic Ramp Rates Use in Security Constrained Economic Dispatch (SCED)
- NPRR302 – Correct Fuel Type Language for Mitigated Offer Cap – 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.

- **NPRR260 – Providing Access to MIS Secure Area to MIS Registered Users [Crescent Power].**

Proposed Effective Date: Upon System Implementation – Priority Medium.

ERCOT Impact Analysis: Impact Analysis will be conducted at a future date due to “Not Needed for Go-Live” designation by the ERCOT Chief Executive Officer (CEO).

Revision Description: This NPRR adds “Independent Market Information System Registered Entity (IMRE)” to Section 2.1, Definitions, and Section 22, Attachment A, Standard Form Market Participant Agreement. By doing so, the Standard Form Market Participant Agreement would bind IMREs to the Nodal Protocols and, in particular, provisions in Section 16.12, Use Security Administrator and Digital Certificates.

Procedural History: NPRR260 was posted on August 5, 2010. On August 19, 2010, the Protocol Revision Subcommittee (PRS) unanimously voted to table NPRR260 for one (1) month. The Independent Power Marketer (IPM) Market Segment was not present for the vote. On September 23, 2010, PRS unanimously voted to table NPRR260. There was one (1) abstention from the IPM Market Segment. On October 21, 2010, PRS voted to recommend approval of NPRR260 as amended by the September 17, 2010 ERCOT comments and as revised by PRS. There were three (3) abstentions from the Consumer, IPM, and Independent Generator Market Segments. On November 18, 2010, PRS voted to endorse and forward the October 21, 2010 PRS Report as revised by PRS and Impact Analysis for NPRR260 to TAC and to assign NPRR260 a priority of Medium. There was one (1) abstention from the Independent Generator Market Segment. On December 6, 2010, TAC unanimously voted to recommend approval of NPRR260 as recommended by PRS in the November 18, 2010 PRS Report and to assign NPRR260 a priority of Medium.

- **NPRR282 – Dynamic Ramp Rates Use in SCED [Calpine].**
Proposed Effective Date: Upon System Implementation – Priority Critical.
ERCOT Impact Analysis: Impact Analysis will be conducted at a future date due to “Not Needed for Go-Live” designation by the ERCOT CEO.
Revision Description: This NPRR proposes revisions that are intended to result in more reasonable Dispatch of Generation Resources when a telemetered Base Point requires the Resource to employ technologies that in turn change the Resource’s ramp rate.
Procedural History: NPRR282 was posted on September 28, 2010. On October 21, 2010, PRS voted to recommend approval of NPRR282 as amended by the October 18, 2010 Luminant comments. There was one (1) abstention from the Municipal Market Segment. On November 18, 2010, PRS unanimously voted to endorse and forward the October 21, 2010 PRS Report and Impact Analysis for NPRR282 to TAC and to assign NPRR282 a priority of Critical. On December 6, 2010, TAC unanimously voted to recommend approval of NPRR282 as recommended by PRS in the November 18, 2010 PRS Report and to assign NPRR282 a priority of Critical.
- **NPRR302 – Correct Fuel Type Language for Mitigated Offer Cap [Morgan Stanley] – URGENT.**
Proposed Effective Date: Upon System Implementation
ERCOT Impact Analysis: Less than \$5,000; can be incorporated into a future scheduled Market Management System (MMS) release; no ERCOT staffing impacts; impacts to MMS; eliminates use of Fuel Oil Price (FOP) in calculation for Mitigated Offer Cap; no impacts to ERCOT grid operations and practices.
Revision Description: This NPRR revises the language for the Mitigated Offer Cap to eliminate use of the FOP in the calculation.
Procedural History: NPRR302 was posted on December 7, 2010. On December 9, 2010, the motion to grant NPRR302 Urgent status passed via PRS email vote. On December 16, 2010, PRS voted to recommend approval of NPRR302 as submitted. There was one (1) abstention from the Consumer Market Segment. On January 6, 2011, TAC unanimously voted to recommend approval of NPRR302 as recommended by PRS in the December 16, 2010 PRS Report.

The TAC Reports, Impact Analyses, and CEO Revision Request Reviews (if applicable) 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 NPRR260, NPRR282, and NPRR302 described herein. TAC considered the issues and voted to take action on NPRR260, NPRR282, and NPRR302 as described above.

Alternatives:

1. Approve the TAC recommendation on NPRR260, NPRR282 and/or NPRR302, as described above or as modified by the ERCOT Board;



2. Reject the TAC recommendation on NPRR260, NPRR282 and/or NPRR302;
3. Defer decision on the TAC recommendation on NPRR260, NPRR282 and/or NPRR302; or
4. Remand NPRR260, NPRR282 and/or NPRR302 to TAC with instructions.

Conclusion/Recommendation:

As more specifically described above, TAC recommends that the ERCOT Board approve NPRR260, NPRR282 and/or NPRR302 as described herein.



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 Nodal Protocol Revision Requests (NPRRs):

- NPRR260 – Providing Access to Market Information System (MIS) Secure Area to MIS Registered Users
- NPRR282 – Dynamic Ramp Rates Use in Security Constrained Economic Dispatch (SCED)
- NPRR302 – Correct Fuel Type Language for Mitigated Offer Cap – URGENT

THEREFORE be it RESOLVED, that the ERCOT Board hereby approve NPRR260, NPRR282 and NPRR302.

CORPORATE SECRETARY'S CERTIFICATE

I, Bill Magness, Corporate Secretary of ERCOT, do hereby certify that, at its January 18, 2011 meeting, the ERCOT Board passed a motion approving the above Resolution by _____.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of January, 2011.

Bill Magness
Corporate Secretary