



Date: June 14, 2011
To: ERCOT Board of Directors
From: Brad Jones, Technical Advisory Committee (TAC) Chair
Subject: Unanimous Protocol Revision Requests (NPRRs)

Issue for the ERCOT Board of Directors

ERCOT Board of Directors (ERCOT Board) Meeting Date: June 21, 2011

Agenda Item No.: 8a

Issue:

Consideration of the following NPRRs unanimously recommended for approval by TAC:

- NPRR264 – Clarification of Nodal Protocol Requirements for Generators With Multiple Points of Interconnection
- NPRR311 – Correction of Wind Adjust Formula to Account for Daylight Savings Time
- NPRR312 – Clarification of Qualified Scheduling Entity (QSE) Requirements for Split Generation Resources – URGENT
- NPRR317 – Clarification of Entity Responsible for Hydro Responsive Testing
- NPRR318 – Alignment of Nodal Registration Requirements with Current Registration Process
- NPRR326 – Adjust the Calculation of the Real-Time Settlement Point Price for a Resource Node
- NPRR330 – Change in Frequency of Four Protocol Required Audits from Annual to Periodic (formerly “Change in Frequency of Five Protocol Required Audits from Annual to Periodic”)

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.

- **NPRR264 – Clarification of Nodal Protocol Requirements for Generators with Multiple Points of Interconnection [WMS].**

Proposed Effective Date: July 1, 2011.

ERCOT Impact Analysis: No budgetary impact; no impacts to ERCOT staffing; no impact to ERCOT computer systems; no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.

Revision Description: This NPRR adds language to specify that Nodal Protocol requirements applicable to Generation Resources which are based upon the date of an executed Standard Generation Interconnection Agreement (SGIA) are applied to the date of the original SGIA for Resources with more than one (1) point of interconnection.

Procedural History: On May 5, 2011, TAC unanimously voted to recommend approval of NPRR264 as recommended by PRS in the April 21, 2011 Protocol Revisions Subcommittee (PRS) Report.



- **NPRR311 – Correction of Wind Adjust Formula to Account for Daylight Savings Time [ERCOT].**
Proposed Effective Date: Upon System Implementation.
ERCOT Impact Analysis: No additional impacts to implement NPRR311 beyond what was captured in the Impact Analysis for NPRR208 – Registration and Settlement of Distributed Generation (DG) Less Than One (1) Megawatt (MW).
Revision Description: This NPRR corrects the formula for the reduction of wind excess generation to account for Daylight Savings Time (DST) adjustments in the Spring and Fall for Electric Service Identifiers (ESI IDs) with non-Interval Data Recorders (IDRs).
Procedural History: On May 5, 2011, TAC unanimously voted to recommend approval of NPRR311 as recommended by PRS in the April 21, 2011 PRS Report.
- **NPRR312 – Clarification of QSE Requirements for Split Generation Resources [ERCOT] – URGENT.**
Proposed Effective Date: July 1, 2011, except for grey-boxed language which will be effective upon system implementation – Priority High; Rank 24.
ERCOT Impact Analysis: \$70, 000 to 75,000; ongoing impact of 0.1 Full Time Equivalent (FTE) to ERCOT Wholesale Client Services; impact to ERCOT Energy Management System (EMS), Network Model Management System (NMMS), and Registration Integration; revisions will be made to ERCOT Network Modeling and Wholesale Client Services business procedures; no impacts to ERCOT grid operations and practices.
Revision Description: This NPRR defines Master QSE, clarifies the designation and responsibilities of the Master QSE for a Generation Resource that has been split to function as two or more Split Generation Resources, and clarifies the responsibilities of the QSEs for such Split Generation Resources. This NPRR also addresses settlement and billing disputes related to the application of integrated Real-Time telemetry from a Generation Resource that has been split to function as two (2) or more Split Generation Resources.
Procedural History: On June 2, 2011, TAC unanimously voted to recommend approval of NPRR312 as recommended by PRS in the May 19, 2011 PRS Report and as revised by TAC with a recommended priority of High and rank of 24.
- **NPRR317 – Clarification of Entity Responsible for Hydro Responsive Testing [ERCOT].**
Proposed Effective Date: July 1, 2011.
ERCOT Impact Analysis: No budgetary impact; no impacts to ERCOT staffing; no impact to ERCOT computer systems; no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.
Revision Description: This NPRR clarifies the Entity responsible for Hydro Responsive Testing.
Procedural History: On May 5, 2011, TAC unanimously voted to recommend approval of NPRR317 as recommended by PRS in the April 21, 2011 PRS Report.
- **NPRR318 – Alignment of Nodal Registration Requirements with Current Registration Process [ERCOT].**



Proposed Effective Date: July 1, 2011.

ERCOT Impact Analysis: No budgetary impact; no impacts to ERCOT staffing; no impact to ERCOT computer systems; no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.

Revision Description: This NPRR aligns the registration requirements in Section 16.1, *Qualification, Registration, and Execution of Agreements*, with the current registration process.

Procedural History: On May 5, 2011, TAC unanimously voted to recommend approval of NPRR318 as recommended by PRS in the April 21, 2011 PRS Report.

- **NPRR326 – Adjust the Calculation of the Real-Time Settlement Point Price for a Resource Node [ERCOT].**

Proposed Effective Date: Upon System Implementation – Priority High; Rank 12.9.

ERCOT Impact Analysis: \$15,000 to 20,000; no impacts to ERCOT staffing; impacts to MMS; no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.

Revision Description: This NPRR adjusts the calculation of the Real-Time Settlement Point Price for a Resource Node. The adjustment is to remove the Base Point weighting of the Real-Time Locational Marginal Prices (LMPs).

Procedural History: On May 5, 2011, TAC unanimously voted to recommend approval of NPRR326 as recommended by PRS in the April 21, 2011 PRS Report.

- **NPRR330 – Change in Frequency of Four (4) Protocol Required Audits from Annual to Periodic (formerly “Change in Frequency of Five (5) Protocol Required Audits from Annual to Periodic”) [ERCOT].**

Proposed Effective Date: July 1, 2011.

ERCOT Impact Analysis: No budgetary impact; no impacts to ERCOT staffing; no impact to ERCOT computer systems; no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.

Revision Description: This NPRR revises the frequency for the ERCOT Internal Audit Department to perform audits from an annual basis to a periodic basis.

Procedural History: On May 5, 2011, TAC unanimously voted to recommend approval of NPRR330 as recommended by PRS in the April 21, 2011 PRS Report and as revised by TAC.

The TAC Reports, Impact Analyses, and Cost Benefit Analyses (if applicable) for these NPRRs are included in the ERCOT Board meeting materials which can found on the following link: <http://www.ercot.com/calendar/2011/06/20110621-BOD>.

In addition, these NPRRs and supporting materials are posted on the ERCOT website at the following link: <http://www.ercot.com/mktrules/nprotocols/npr>.

**Key Factors Influencing Issue:**

PRS met, discussed the issues, and submitted reports to TAC regarding NPRRs 264, 311, 312, 317, 318, 326 and 330 described herein. TAC considered the issues and voted to take action on NPRRs 264, 311, 312, 317, 318, 326 and 330 as described above.

Alternatives:

1. Approve the TAC recommendation on NPRRs 264, 311, 312, 317, 318, 326 and/or 330, as described above or as modified by the ERCOT Board;
2. Reject the TAC recommendation on NPRRs 264, 311, 312, 317, 318, 326 and/or 330;
3. Defer decision on the TAC recommendation on NPRRs 264, 311, 312, 317, 318, 326 and/or 330; or
4. Remand NPRRs 264, 311, 312, 317, 318, 326 and/or 330 to TAC with instructions.

Conclusion/Recommendation:

As more specifically described above, TAC recommends that the ERCOT Board approve NPRRs 264, 311, 312, 317, 318, 326 and 330 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 Protocol Revision Requests (NPRRs):

- NPRR264 – Clarification of Nodal Protocol Requirements for Generators With Multiple Points of Interconnection
- NPRR311 – Correction of Wind Adjust Formula to Account for Daylight Savings Time
- NPRR312 – Clarification of Qualified Scheduling Entity (QSE) Requirements for Split Generation Resources – URGENT
- NPRR317 – Clarification of Entity Responsible for Hydro Responsive Testing
- NPRR318 – Alignment of Nodal Registration Requirements with Current Registration Process
- NPRR326 – Adjust the Calculation of the Real-Time Settlement Point Price for a Resource Node
- NPRR330 – Change in Frequency of Four (4) Protocol Required Audits from Annual to Periodic (formerly "Change in Frequency of Five (5) Protocol Required Audits from Annual to Periodic")

THEREFORE be it RESOLVED, that the ERCOT Board hereby approves 264, 311, 312, 317, 318, 326 and 330.

CORPORATE SECRETARY'S CERTIFICATE

I, Bill Magness, Corporate Secretary of ERCOT, do hereby certify that, at its June 21, 2011 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, 2011.

Bill Magness
Corporate Secretary