

**Technical Advisory Committee**

**2011 Structural and Procedural Review**

**Review and Recommendations**

**TAC Draft for Discussion on September 1, 2011**

# Process

In July of each year, TAC leadership, including the leadership of each of the TAC subcommittees, meet for the purpose of generating proposals for possible structural and procedural improvements. The meeting was held on July 20, 2011 and was posted and open to any interested party.

All meetings are posted and open to any interested party. All improvement proposals developed at the TAC leadership meeting were presented to the TAC membership at a regular meeting of TAC to gather further input. Following this gathering of input, a draft Structural and Procedural Review document was circulated to all TAC members and comments were solicited. The comments received will be discussed at the October TAC meeting with the expectation of finalizing a document for presentation to the October ERCOT Board of Directors.

# Four Major Structural and Process Improvement Target Areas

Irrespective of the task, it is important that each task is designed and periodically reviewed, improved, or substituted by another task, with a view to continuous improvement in four major areas:

Effectiveness;

Efficiency;

Transparency; and

Fairness

The recommendations will be divided below into Structural Improvement Proposals and Procedural Improvement Proposals.

# Structural Improvement Proposals

There were no proposals for Structural improvements in this review cycle. Each Subcommittee chair has been asked to discuss potential structural improvements with their Subcommittee and report on any proposals for improvement at the September TAC meeting.

# Procedural Improvement Proposals and Recommendations

# 4.1 Board Priority Action

**Proposal Description:**

Develop a process that would allow the Board to take a vote to direct ERCOT Staff to develop an NPRR that will address a specific issue raised at the Board, to officially designate that NPRR as Urgent, and to request that a resolution of the issue be worked through the Market Participant process by a specific time.

**Discussion:**

An NPRR will be necessary to make this change. This may also require adjustments to the notification and comment period to allow Board ability to request completion of the issue by a specific time.

**Decision and Timing:**

# 4.2 Alignment NPRRs

**Proposal Description:**

Allow ERCOT to submit NPRRs with an “alignment” designation that will alert Market Participants that the NPRR should be limited in scope.

**Discussion:**

This may be accomplished without an NPRR.

**Decision and Timing:**

# 4.3 Cost Benefit Analyses

**Proposal Description:**

Do not allow an NPRR to progress beyond PRS without a CBA.

**Discussion:**

Create a requirement that the completion of the CBA is the responsibility of the sponsor but in coordination with ERCOT. Consider improving the fields that are completed when an NPRR is developed and require that adequate information for creation of the CBA be included at that time.

**Decision and Timing:**

# 4.4 Eliminate Email Urgency Votes at PRS

**Proposal Description:**

Terminate the practice of allowing urgency votes to be settled by an email vote of PRS.

**Discussion:**

**Decision and Timing:**

# 4.5 Require ERCOT Opinion on All NPRRs

**Proposal Description:**

Require that ERCOT designate their support or opposition to all NPRRs at TAC. Their opposition or support would be recorded on the TAC recommendation and presented to the Board.

**Discussion:**

**Decision and Timing:**

# 4.6 Add ERCOT as Voting Entity at TAC

**Proposal Description:**

Add ERCOT as a voting entity to the TAC.

**Discussion:**

Proposal would likely require a bylaw change.

**Decision and Timing:**

# 4.7 Appeals

**Proposal Description:**

Alter the appeal process to allow for an appeal of affirmative votes of the TAC. In this manner, the Board will know that all issues for each NPRR have either been resolved or a motivated party has filed an appeal.

**Discussion:**

**Decision and Timing:**

# 4.8 Representation for Vertically Integrated Organizations

**Proposal Description:**

Revise the TAC procedures to recognize that participation by vertically integrated companies should be limited such that parent and affiliate have only one vote at TAC and all affiliates must pick a segment for the year. [CPS suggested a rewording of this proposal. TAC can address that change at its September meeting.]

**Discussion:**

**Decision and Timing:**

# 4.9 AMIT

**Proposal Description:**

Move AMIT activities/meetings to ERCOT.

**Discussion:**

These meetings are currently coordinated by the PUCT. Several parties indicated some concern with moving these activities. Other parties suggested that more coordination between AMIT and RMS meeting schedules could facilitate more participation at each.

**Decision and Timing:**

# 4.10 Improve Coordination of Draft NPRRs across Subcommittees

**Proposal Description:**

Improve coordination of draft NPRRs across Subcommittees and Working Groups with similar ownership/scope prior to submitting to Market Rules.

**Discussion:**

**Decision and Timing:**