
TAC Update

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ERCOT Board Meeting

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Summary of TAC Update

Revision Requests Recommended for Approval by TAC - Unopposed (Vote):

- NPRR407, Credit Monitoring Credit Parameters Posting Requirements
- NPRR408, Clarification of ERCOT Authority to Deny Energization of Non-Compliant Generators
- NPRR422, Public DAM Shift Factors
- NPRR423, Add Voltage Support Requirement for IRRs and Allow Manual Control of Static VAr Devices if Approved by ERCOT
- NPRR437, Allow Aggregation of Multiple Generators Into A Single Resource For Market and Engineering Modeling – URGENT
- PGRR008, New Planning Guide Section 4, Generation Resource Interconnection

Revision Requests Recommended for Approval by TAC - Opposed (Vote):

- NPRR432, Deployment of Resources to Alleviate Anticipated Emergency Conditions - URGENT
- NPRR434, Increase the Capacity Limitation of a Generation Resource Providing RRS – URGENT
- NPRR435, Requirements for Energy Offer Curves in the Real Time SCED for Generation Resources Committed in RUC - URGENT

Notice of Guide Revisions Approved by TAC

February TAC Highlights

Future Agenda Items

February TAC Actions Related to Resource Adequacy

NPRRs Recommended for Approval by TAC:

- NPRR432, Deployment of Resources to Alleviate Anticipated Emergency Conditions – URGENT
- NPRR434, Increase the Capacity Limitation of a Generation Resource Providing RRS – URGENT
- NPRR435, Requirements for Energy Offer Curves in the Real Time SCED for Generation Resources Committed in RUC - URGENT

TAC unanimously endorsed the revisions to the 2012 Ancillary Services Methodology as recommended by ERCOT which included:

- Removing 500 MW from Non-Spinning Reserve Service; and
- Adding 500 MW to Responsive Reserve Service.

**Revision Requests Recommended
for Approval by TAC
(Unopposed)**

NPRR407, Credit Monitoring Posting Requirements

Purpose (Tenaska)	This NPRR adds requirements for ERCOT to post to the MIS Certified Area, the parameters used to calculate Market Participants' Available Credit Limits (ACLs) used in multiple market processes.
TAC Vote	On 1/5/12, TAC unanimously voted to recommend approval of NPRR407 as recommended by PRS in the 12/15/11 PRS Report.
ERCOT Opinion	No opinion. However, ERCOT recognizes the benefits for added transparency and clarity for the health of the market.
Effective Date/Priority	Upon System Implementation – Priority 2012; Rank 590
ERCOT Impact	\$120k - \$130k; system impacts to MMS, CRR, CDR, MIS, and ISM
Business Case Highlights	<ul style="list-style-type: none"> • Posting of Market Participants' credit parameters are important for Real-Time verification of the data used by ERCOT to determine ACLs prior to each Nodal Market execution to avoid incorrect rejection of bids or offers in the market. • Promotes wider participation in the market by using accurate credit information. • Could potentially lower consumer prices by avoiding exclusion of participants due to inaccurate credit information.

NPRR408, Clarification of ERCOT Authority to Deny Synchronization of Non-Compliant Generators

<p>Purpose (ERCOT)</p>	<p>This NPRR clarifies ERCOT’s authority to deny energization of a new or materially changed All-Inclusive Generation Resource if ERCOT determines the Resource Entity cannot demonstrate that the Resource would be able to comply with technical standards in the Protocols, the Planning Guide, the Nodal Operating Guides, and Other Binding Documents.</p>
<p>TAC Vote</p>	<p>On 1/5/12, TAC unanimously voted to recommend approval of NPRR408 as recommended by PRS in the 11/17/11 PRS Report.</p>
<p>ERCOT Opinion</p>	<p>ERCOT supports the approval of NPRR408.</p>
<p>Effective Date/Priority</p>	<p>March 1, 2012</p>
<p>ERCOT Impact</p>	<p>No system impact; business procedures will be updated.</p>
<p>Business Case Highlights</p>	<p>This NPRR will improve ERCOT Region reliability by clarifying ERCOT’s authority to deny energization of any All-Inclusive Generation Resource when the Resource owner cannot demonstrate that the Resource will comply with technical standards in the Protocols, ERCOT Market Guides, and Other Binding Documents. Explicitly recognizing this authority eliminates any uncertainty over ERCOT’s authority to preclude energization of non-compliant All-Inclusive Generation Resources.</p>

NPRR422, Public DAM Shift Factors

Purpose (MISUG)	This NPRR creates a new report to provide Day-Ahead Shift Factors on the MIS Public Area.
TAC Vote	On 1/5/12, TAC unanimously voted to recommend approval of NPRR422 as recommended by PRS in the 12/15/11 PRS Report.
ERCOT Opinion	No opinion. However, ERCOT recognizes the benefits for added transparency and clarity for the health of the market.
Effective Date/Priority	Upon System Implementation – Priority 2012; Rank 600
ERCOT Impact	\$20k - \$25k; system impacts to MMS and CDR
Business Case Highlights	<ul style="list-style-type: none"> • Provides ability to validate Day-Ahead prices based on binding constraints • Greater transparency of pricing information to the public • Additional means of identifying potential errors within the DAM power flow solution • More enhanced DAM to RTM convergence and Day-Ahead unit commitment • Decreases Market Participant effort on calculation of this info • Decreases the number of errors involved with unit commitment and Dispatch • Better convergence between Day-Ahead and Real-Time prices • Improved risk management and better risk controls

NPRR423, Add Voltage Support Requirement for IRRs and Allow SCADA Control of Static VAr Devices if Approved by ERCOT

Purpose (ERCOT)	<p>This NPRR includes Intermittent Renewable Resources (IRR) in the voltage requirement and clarifies the reactive requirement to be the same as Wind-powered Generation Resources (WGRs); and also proposes that switchable static Volt-Ampere reactive (VAr) devices can be Supervisory Control and Data Acquisition (SCADA) controlled if approved by ERCOT.</p>
TAC Vote	<p>On 1/5/12, TAC unanimously voted to recommend approval of NPRR423 as recommended by PRS in the 12/15/11 PRS Report.</p>
ERCOT Opinion	<p>ERCOT supports the approval of NPRR423.</p>
Effective Date/Priority	<p>March 1, 2012</p>
ERCOT Impact	<p>No impacts</p>
Business Case Highlights	<ul style="list-style-type: none"> • Clarifies the solar power Resource voltage support requirement • Provides a solution to allow manual control of static VAr devices and avoid undesired ERCOT System impact on voltage with automatic control of static VAr devices • Generation Resources will have a clear understanding of the voltage support requirement of IRRs (wind and solar) • TSPs can recommend control mode of static VAr devices to avoid undesired ERCOT System impact, such as voltage swing due to frequent switching of automatic controlled static VAr devices

NPRR437, Allow Aggregation of Multiple Generators Into A Single Resource For Market and Engineering Modeling - URGENT

Purpose (ERCOT)	This NPRR will allow aggregation of similar qualified non-wind-powered generators into an Aggregate Generation Resource (AGR) for market and engineering modeling purposes.
TAC Vote	On 2/2/12, TAC voted to recommend approval of NPRR437 as recommended by PRS in the 1/30/12 PRS Report and as amended by the 2/1/12 ERCOT comments. There was one abstention from the IPM Market Segment.
ERCOT Opinion	ERCOT supports the approval of NPRR437.
Effective Date/Priority	March 1, 2012 Automated solution – Priority 2012; Rank 355
ERCOT Impact	\$60k - \$80k; impacts to RARF, EMS, NMMS, S&B, and CSI; business process impacts to ERCOT Settlements & Billing to perform manual work around.
Business Case Highlights	<ul style="list-style-type: none"> • Simplifies registration, modeling, telemetry, submittals and Settlements with no impact to reliability • Reduces need to expand the number of ICCP point significantly • Streamlines registration of potential MW for this summer

PGRR008, New Planning Guide Section 5 – Generation Resource Interconnection or Change Request

Purpose (ERCOT)	This PGRR adds new Section 5. The majority of the language contained in this PGRR comes from the existing ERCOT Generation Interconnection or Change Request Procedure.
TAC Vote	On 1/5/12, TAC unanimously voted to recommend approval of PGRR008 as recommended by ROS in the 10/13/11 ROS Report and as revised by the 12/22/11 Oncor Electric Delivery comments.
ERCOT Opinion	ERCOT supports the approval of PGRR008.
Effective Date/Priority	March 1, 2012
ERCOT Impact	No impacts
Business Case Highlights	<ul style="list-style-type: none">• Improved transparency for Market Participants relating to the interconnection of new Generation Resources• Incorporates an existing ERCOT procedure

**Revision Requests Recommended
for Approval by TAC
(With Opposing Vote(s))**

NPRR432, Deployment of Resources to Alleviate Anticipated Emergency Conditions - URGENT

Purpose (ERCOT)	<p>This NPRR institutes parameters governing ERCOT’s utilization of emergency authority when ERCOT seeks to deploy Resources to maintain ERCOT System reliability when Emergency Conditions are anticipated; and provides a process for ERCOT to procure and deploy Resources that may be used to alleviate anticipated Emergency Conditions in a manner not otherwise delineated in the Protocols and Operating Guides, and requires that such procurements be made only upon approval of the ERCOT Board.</p>
TAC Vote	<p>On 2/2/12, TAC voted via roll call vote to recommend approval of NPRR432 as recommended by PRS in the 1/19/12 PRS Report, as amended by the 2/1/12 TIEC-NRG Texas LLC Comments, and as revised by TAC. There were five opposing votes from the IREP (4) and IPM Market Segments.</p>
ERCOT Opinion	<p>ERCOT supports the approval of NPRR432.</p>
Effective Date/Priority	<p>March 1, 2012</p>
ERCOT Impact	<p>No impacts (minor impacts to ERCOT Legal and Settlements and Billing departments absorbed by existing staff)</p>
Business Case Highlights	<ul style="list-style-type: none"> • Prescribes the process for procuring Resources to alleviate anticipated Emergency Conditions • Describes the dispatch process for Generation Resources in order to minimize market impacts

NPRR434, Increase the Capacity Limitation of a Generation Resource Providing RRS - URGENT

Purpose (RDTF)	This NPRR increases the amount of Responsive Reserve Service (RRS) that can be supplied by a Generation Resource to 24%.
TAC Vote	On 2/2/12, TAC voted to recommend approval of NPRR434 as recommended by PRS in the 1/19/12 PRS Report with a priority of 2012 and rank of 95. There was one opposing vote from the Consumer Market Segment.
ERCOT Opinion	As stated in the 2/1/12 ERCOT comments, ERCOT can support the 1/19/12 PRS recommendation which increases the threshold for Generation Resources providing RRS to 24% from the current 20% threshold, when coupled with plans to increase the total amount of RRS procured to 2800 MW and to maintain equal participation from Load Resources.
Effective Date/Priority	Upon System Implementation – Priority 2012; Rank 95
ERCOT Impact	\$70k - \$80k; impacts to EMS; business functions will be updated.
Business Case Highlights	Allows the transfer of 500 MW of Non-Spin Service to RRS without a substantial increase in unit commitments for RRS that would artificially depress Real-Time LMPs due to excess capacity On-Line.

NPRR435, Requirements for Energy Offer Curves in the Real Time SCED for Generation Resources Committed in the RUC - URGENT

Purpose (ERCOT)	<p>This NPRR adds a requirement for the QSE of a Generation Resource committed by the RUC process to submit an Energy Offer Curve that prices all energy from LSL to HSL at the SWCAP for RUC-Committed Intervals.</p>
TAC Vote	<p>On 2/2/12, TAC voted via roll call vote to recommend approval of NPRR435 as recommended by PRS in the 1/19/12 PRS Report and as revised by TAC. There were six opposing votes from the Consumer Market Segment and one abstention from the Cooperative Market Segment.</p>
ERCOT Opinion	<p>ERCOT supports NPRR435 as it addresses concerns expressed at the 12/8/11 PUCT Open Meeting related to price suppression due to capacity brought on by RUC. ERCOT has no opinion on the dollar value for energy for Generation Resources committed by the RUC process for RUC committed intervals.</p>
Effective Date/Priority	<p>March 1, 2012</p>
ERCOT Impact	<p>No impacts</p>
Business Case Highlights	<ul style="list-style-type: none"> • Mitigates price suppression due to capacity brought on by RUC and more accurately reflects the value of the extra capacity opened up to SCED • Minimizes displacement of competitive market Resources due to energy from RUC committed Resources

Notice of Guide Revisions Approved by TAC

NOGRR080, Inadvertent Interchange and Inadvertent Energy Clarification.

This NOGRR modifies language in Sections 1.4 and 2.8.1 related to inadvertent energy.

NOGRR081, Synchronization with NPRR374, Modification of SCR Process and Urgency Requirements.

This NOGRR aligns the Nodal Operating Guides with NPRR374, which modified the requirements for Urgency and was approved by the ERCOT Board on September 20, 2011.

NOGRR083, Removal of Reporting Requirements for Vegetation-Related Line Outages.

This NOGRR deletes Section 3.7.2, which requires Transmission Operators to report 345 kV transmission-related Outages to the Texas Reliability Entity.

COPMGRR029, Clarifying Reporting Requirements for Unregistered Distributed Generation.

This COPMGRR clarifies the requirements for Non-Opt-In Entities (NOIEs) and ERCOT for reporting unregistered Distributed Generation (DG).

COPMGRR030, Replace TML References with MIS.

This COPMGRR updates the COPMG to replace references to the Texas Market Link (TML) with Market Information System (MIS).

February TAC Highlights

- TAC unanimously endorsed the revisions to the 2012 Ancillary Services Methodology as recommended by ERCOT.
- TAC unanimously approved a scope document to create the Market Enhancement Task Force (MET). The purpose of the MET is to assist ERCOT in identifying enhancements to the ERCOT Nodal Systems. Specifically, the MET will evaluate the cost and benefits of enhancements to ERCOT Nodal processes and will recommend market efficiency improvements to Real-Time SCED that provide better Resource Commitment and Dispatch.
- TAC unanimously revised the TAC Procedures. Revisions included changes to voting calculations for the Consumer sub-segment at PRS and COPS and to align language with the ERCOT Bylaws.
 - Discussed interest in revising the Bylaws for tallying TAC votes when Standing Representatives are not present for a vote.

Future Agenda Items

- NPRR393, SCED Constraint Management Transparency
- NPRR397, Balance of the Day Ancillary Service Market
- NPRR402, Clarification of Pre-DAM RUC Instruction Sequence
- NPRR405, Clarification of DC Tie Load into Operational Systems and Processes
- NPRR419, Revise Real-Time Energy Imbalance and RMR Adjustment Charge
- NPRR424, Reactive Capability Testing Requirements for IRRs
- NPRR430, Corrections Related to NPRR357, Revisions to Collateral Requirements Concerning CRR Auctions, and Clarification to Collateral Requirements
- NPRR431, Board Priority Revision Requests
- PGRR010, New Planning Guide Section 6.7, ERCOT Data Dictionary
- PGRR012, Dynamics Working Group Guidelines
- PGRR013, New Section 6.3, Process for Developing Short Circuit Cases (Portion of SPWG Procedures)
- PGRR014, Synchronization with NPRR374, Modification of SCR Process and Urgency Requirements