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# TAC Update

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TAC Chair and Vice Chair

**ERCOT Board Meeting**

**May 15, 2012**

# Summary of TAC Update

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

- NPRR412, Quick Start Generation Resource Compliance Metric Adjustments
- NPRR439, Updating a Counter-Party's Available Credit Limit for Current Day DAM
- NPRR441, Revision of Dynamic Rating Recommendation Posting Timeline
- NPRR442, Energy Offer Curve Requirement for Generation Resources Providing Reliability Must-Run Service - URGENT
- SCR770, Revision to Outage Scheduler Entry for Resource Maintenance Outage Level Designation
- SCR771, ERCOT System Change Allowing Independent Master QSE to Represent Split Generation Resources
- Impact Assessment for Parking Deck NPRR260, Providing Access to MIS Secure Area to MIS Registered Users
- PGRR015, New Section 3, Regional Planning
- PGRR016, Planning Reserve Margin Review
- NOGRR084, Daily Grid Operations Summary Report

## **May TAC Highlights**

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

# NPRR412, Quick Start Generation Resource Compliance Metric Adjustments

<b>Purpose (STEC)</b>	This NPRR clarifies the requirements regarding the performance criteria of a Quick Start Generation Resource (QSGR).
<b>TAC Vote</b>	On 4/5/12, TAC unanimously voted to recommended approval of NPRR412 as recommended by PRS in the 3/22/12 PRS Report.
<b>ERCOT Opinion</b>	ERCOT supports approval of NPRR412 as it agrees that zero Base Point instructions that are issued after the QGSR has received a non-zero Base Point should be included in the performance evaluation.
<b>Effective Date/Priority</b>	June 1, 2012
<b>ERCOT Impact</b>	No impact
<b>Business Case Highlights</b>	<ul style="list-style-type: none"> <li>• Provides clarification for QSGR performance criteria.</li> <li>• Increases likelihood of QSGR participation in SCED due to better understanding of compliance criteria.</li> <li>• Improved frequency control in instances where brief price spikes cause QSGRs to be deployed and subsequently recalled to zero MW. Currently QSGRs must still meet the 95% of the initial deployment (despite subsequently zero Base Points), which has contributed to high frequency events and the usage of large amounts of Regulation in the past.</li> </ul>

# NPRR439, Updating a Counter-Party's Available Credit Limit for Current Day DAM

<b>Purpose</b> (ERCOT)	This NPRR will provide flexibility for Counter-Parties to increase the credit limit available for the Day-Ahead Market (DAM) on the day the DAM is running by posting additional Financial Security under certain circumstances after ERCOT has already set a daily credit limit.
<b>TAC Vote</b>	On 4/5/12, TAC unanimously voted to recommend approval of NPRR439 as recommended by PRS in the 3/22/12 PRS Report.
<b>ERCOT Opinion</b>	ERCOT supports the approval of NPRR439.
<b>Effective Date/Priority</b>	Upon system implementation – Priority 2012; Rank 690
<b>ERCOT Impact</b>	\$125k - \$135k (system implementation); staffing impacts absorbed by current staff; impacts to MMS, CMM, & ISM; business functions will be updated.
<b>Business Case Highlights</b>	<ul style="list-style-type: none"> <li>Provides Counter-Parties flexibility to increase the credit limit during the current day DAM by posting Financial Security under certain circumstances.</li> </ul>

# NPRR441, Revision of Dynamic Rating Recommendation Posting Timeline

<b>Purpose</b> (ERCOT)	This NPRR will allow the frequency of posting the list of transmission lines recommended for Dynamic Ratings from semi-annual to annual.
<b>TAC Vote</b>	On 4/5/12, TAC unanimously voted to recommended approval of NPRR441 as recommended by PRS in the 3/22/12 PRS Report.
<b>ERCOT Opinion</b>	ERCOT supports the approval of NPRR441.
<b>Effective Date/Priority</b>	June 1, 2012
<b>ERCOT Impact</b>	No impact
<b>Business Case Highlights</b>	Aligns Protocol language with current ERCOT practices.

# NPRR442, Energy Offer Curve Requirement for Generation Resources Providing Reliability Must-Run Service - Urgent

<p><b>Purpose</b> (Morgan Stanley)</p>	<p>This NPRR adds requirements for a Reliability Must-Run (RMR) Unit's Energy Offer Curve to be set at the System-Wide Offer Cap (SWCAP) for Generation Resources providing RMR Service; and for ERCOT to construct a Mitigated Offer Cap curve for Resources contracted for capacity, such that those Resources are not mitigated in Security-Constrained Economic Dispatch (SCED) and hence will be Dispatched for local constraints only if the prices are higher than or equal to SWCAP.</p>
<p><b>TAC Vote</b></p>	<p>On 5/3/12, TAC voted via email to recommend approval of NPRR442 as recommended by PRS in the 4/19/12 PRS Report. There were two abstentions from the Consumer Market Segment.</p>
<p><b>ERCOT Opinion</b></p>	<p>ERCOT supports the approval of NPRR442 as it addresses concerns raised by PUCT regarding resource adequacy and shortage pricing.</p>
<p><b>Effective Date/Priority</b></p>	<p>Upon system implementation – Priority 2013; Rank 720</p>
<p><b>ERCOT Impact</b></p>	<p>\$35k - \$40k (system implementation); impacts to MMS; business functions will be updated.</p>
<p><b>Business Case Highlights</b></p>	<ul style="list-style-type: none"> <li>• Addresses concerns expressed at the October 27, 2011 PUCT Open Meeting regarding Project No. 37897.</li> <li>• This NPRR will mitigate price suppression during deployment of RMR Units to more accurately reflect the value of market energy during the deployment.</li> </ul>

# SCR770, Revision to Outage Scheduler Entry for Resource Maintenance Outage Level Designation

<b>Purpose</b> (Luminant)	<p>This SCR will make a change to Outage Scheduler system so that a QSE is able to schedule Level I, II and III Maintenance Outages in a way that coincides with the definition of Maintenance Outages shown in Protocol Section 2.1.</p>
<b>TAC Vote</b>	<p>On 4/5/12, TAC unanimously voted to recommend approval of SCR770 as recommended by PRS in the 3/22/12 PRS Report.</p>
<b>ERCOT Opinion</b>	<p>ERCOT supports the concept as it provides an automated solution to provide ERCOT with additional information for outage coordination. However, since there is an existing workaround &amp; given limited funding available for projects, ERCOT recommends a priority of 2013 or later. If the opportunity arises, ERCOT could bundle this with related changes to reduce the cost to implement.</p>
<b>Effective Date/Priority</b>	<p>Upon system implementation – Priority 2013; Rank 700</p>
<b>ERCOT Impact</b>	<p>\$90k - \$105k (system implementation); impacts to Outage Scheduler; updates to operator training procedures and training for operators.</p>
<b>Business Case Highlights</b>	<ul style="list-style-type: none"> <li>• Provides ERCOT with better information for scheduling Maintenance Outages &amp; to ensure a clear understanding of the information entered into the Outage Scheduler by QSEs with regard to Resource Status.</li> <li>• Improvement in Outage scheduling will enhance reliability of the overall system with minimal cost of system revision.</li> <li>• Minimizing market impact of Outages generally results in greater availability of Resources for economic Dispatch &amp; lower prices.</li> </ul>



# SCR771, ERCOT System Change Allowing Independent Master QSE to Represent Split Generation Resources

<b>Purpose</b> (Sandy Creek)	This SCR modifies ERCOT systems to allow owners of Split Generation Resources (SGRs) to contract for service with an independent Master QSE.
<b>TAC Vote</b>	On 4/5/12, TAC unanimously voted to recommend approval of SCR771 as recommended by PRS in the 3/22/12 PRS Report.
<b>ERCOT Opinion</b>	ERCOT supports SCR771 as it provides a quality improvement to control room operator displays to be able to quickly identify the Master QSE & would possibly allow for quicker communication to Master QSE. However, given limited funding available for projects, ERCOT recommends a priority of 2013 or later. If the opportunity arises, ERCOT could bundle this with related changes to reduce the cost to implement.
<b>Effective Date/Priority</b>	Upon system implementation – Priority 2012; Rank 679
<b>ERCOT Impact</b>	\$100k - \$110k (system implementation); impacts to EMS, NMMS & Registration Integration; ERCOT ICCP Communication Handbook will be updated; ERCOT will update operator training procedures & conduct training for operators.
<b>Business Case Highlights</b>	<ul style="list-style-type: none"> <li>• Restores capability lost in the transition from zonal to nodal to allow the owners of SGRs to contract for service with an independent Master QSE.</li> <li>• Enables parties of a SGR to designate an independent Master QSE to provide uninterrupted Master QSE service unaffected by changes in the Resource Entity-QSE relationship of the different SGRs which could potentially result in a Master QSE ceasing to represent a share of SGR.</li> </ul>

# PGRR015, New Section 3, Regional Planning

<b>Purpose (PLWG)</b>	This PGRR adds certain provisions of the Regional Planning Group Charter and Procedures (RPG Charter), approved by the ERCOT Board in January 2009, to the Planning Guide without changing requirements or process.
<b>TAC Vote</b>	On 4/5/12, TAC unanimously voted to recommended approval of PGRR015 as recommended by ROS in the 3/8/12 ROS Report.
<b>ERCOT Opinion</b>	ERCOT supports the approval of PGRR015 as it promotes transparency of planning processes.
<b>Effective Date/Priority</b>	June 1, 2012
<b>ERCOT Impact</b>	No impact
<b>Business Case Highlights</b>	Allows the established PGRR process to be used for any revision of these certain provisions related to the planning process.

# PGRR016, Planning Reserve Margin Review

<b>Purpose</b> (PLWG)	This PGRR adds language inadvertently omitted when planning requirements were moved from the Operating Guide Section 5, Network Operations Modeling Requirements, to the Planning Guide.
<b>TAC Vote</b>	On 4/5/12, TAC unanimously voted to recommended approval of PGRR016 as recommended by ROS in the 3/8/12 ROS Report.
<b>ERCOT Opinion</b>	ERCOT supports the approval of PGRR016 as it replaces a review requirement that was inadvertently deleted via another revision request.
<b>Effective Date/Priority</b>	June 1, 2012
<b>ERCOT Impact</b>	No impact
<b>Business Case Highlights</b>	<ul style="list-style-type: none"><li>• Replaces the ERCOT Planning Reserve Margin review requirement inadvertently removed by NOGRR058.</li><li>• Ensures that ERCOT maintains the responsibility to review the adequacy of the Planning Reserve Margin.</li></ul>

# NOGRR084, Daily Grid Operations Summary Report

<b>Purpose</b> (MISUG)	<p>This NOGRR creates a summary level report of daily operational information to be posted on Market Information System (MIS) Public Area.</p>
<b>TAC Vote</b>	<p>On 4/5/12, TAC unanimously voted to recommend approval of NOGRR084 as recommended by ROS in the 3/8/12 ROS Report.</p>
<b>ERCOT Opinion</b>	<p>ERCOT supports NOGRR084 as it provides ease of use for ERCOT posted data for Market Participants, although granular data sets are posted more frequently. However, given the limited funding available for projects, ERCOT recommends a priority of 2013 or later.</p>
<b>Effective Date/Priority</b>	<p>Upon system implementation – Priority 2012; Rank 680</p>
<b>ERCOT Impact</b>	<p>\$300k - \$500k (system implementation); staffing impacts absorbed by existing staff; impacts to MMS, EMS, ISM, MIS and ERCOT.com; updates to business practices and control room procedures.</p>
<b>Business Case Highlights</b>	<ul style="list-style-type: none"> <li>• Data transparency &amp; summarized data. Data is difficult to consume as an individual download user when there are between 24 &amp; 288 files posted a day per report impacted.</li> <li>• Provides user with comprehensive overview of the day's operational parameters &amp; transparency to information that is not currently available for grid operations.</li> <li>• Narrows the gap in information available between operations &amp; planning.</li> <li>• Expected to save 150 MPs at least 1hr/day at \$65/hr, \$2,535,000 per year for manually acquiring data.</li> <li>• If 1/4 of the combined total of TDSPs &amp; QSEs spent \$50k to automate data collection, combined cost would be \$4.350M. An ERCOT-generated report is much more cost effective alternative for market.</li> </ul>

## May TAC Highlights

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- After reviewing its proposed agenda, TAC cancelled its regularly scheduled May meeting. A WebEx meeting was held on May 1, 2012 to allow for discussion in advance of a TAC email vote for two items:
  - TAC unanimously approved the revised Non-Spinning Reserve Service Deployment and Recall Procedure, containing the criteria as recommended by the Wholesale Market Subcommittee and as amended by ERCOT, with an effective date of May 14, 2012.
  - TAC recommended approval of NPRR442 as recommended by PRS in the April 19, 2012 PRS Report. There were two abstentions from the Consumer Market Segment.