At its 6/26/2012 meeting, the PDCWG discussed the pilot for Fast Response Regulation. The main challenge was a complete understanding of the fundamentals of the proposed service. The expectation was that there are technologies that are ready to provide this service and the group was looking to review data to better characterize the reliability aspects of the pilot. Since data was not available for review, the group engaged in theoretical concerns as well as fundamental expectations around the service. The concerns and expectations that were raised during the discussion are summarized below.

* Are we considering an Ancillary Service for system inertia? Since ERCOT says system inertia is an issue...and generators provide inertia, this should be a compensated service.
* How will battery charging for the 65 MW up and 35 MW down and discharging values be included in the AS Capacity monitor values?  Will there be a separate line in the AS Capacity monitor?
* Will the batteries be part of LFC? If not, are they only expected to operate at certain levels of frequency deviation?
* Is ERCOT trying to work on the existing EMS to improve regulation control and recall?
* How will the Batteries be settled? Since these are Resources—they should have Resource nodes and resource node prices published like other resources.
* How will the costs be allocated to loads?
* How will the performance be evaluated? What are the success metrics for the test?
* Will ERCOT provide the interconnection points for these Resources? So that other Resources in the area know that they might be impacted by this?
* What exemptions for GREDP or Base Point Deviation charges will be provided for generators next to batteries if the batteries create local frequency disturbances?
* How will deviations for Basepoint deviation charges be handled during this period? If there is a generator responding to low frequency that would be exempted from BP deviation charge, if frequency “suddenly” turns around due to deployment of FRS and gen is recalled, will there be an exemption for the operation outside of the frequency band for this period?
* Is ERCOT worried about oscillation issues or local SSR issues?
* What are the performance expectations during DCS events?
* What are the performance expectations during frequency events that do not meet the PDCWG threshold for review? (presentation only prescribed an appropriate response)
* Will there be a reduction in the impact of regulation when responding to a DCS event?
* What are the expected test parameter ranges during the pilot phase? (presentation did not provide details around deployment logic)
* What is the impact on other reliability metrics?
* What is the impact on ancillary services and performance to their deployments?
* What information is available describing the target resource supply? (is there enough capacity to justify the expense and effort of the pilot)
* The deployment expectations describe a step response to frequency deviations which is counter to existing generator frequency response. A better description illustrating why this is desirable will help in characterizing the service.
* Since this is a new concept, a fundamental understanding of the deployment methodology is desired.
* How does this parallel with regulation, where do you draw the line between the services?
* What problem are we trying to solve with this Pilot? If it is "inertia"/Primary Frequency Response as the slide presentation offered, and the new service is adopted, will existing units also be paid for "inertia service" when the service is established?
* Will these service providers be paid 8/60th (13%) of the DAM clearing price for REG Service since they will only be required to perform 8 minutes/hour?
* What is the inclusive list of performance metrics these resources will be judged against in the pilot? (Please identify them from the Protocols, Operating Guides and Other Binding Documents.)
* Since additional "system inertia" is the goal of this service, since steady state metrics [CPS1] for the ERCOT Region are easily passed today, how will you measure and quantify the added value of that added inertia during the Pilot Program? (Please provide the calculation methodology that will be used.)
* How will you determine (calculate) and inform the market that the total avoided costs of REG Service as a result of the Pilot Program?
* What amount of data from the Pilot Project is ERCOT considering a representative sample for determining that the end of the Pilot Project and the beginning of the post-pilot analysis period?
* How/Where will ERCOT post the data and analysis from the Pilot Project to allow stakeholders to interact with ERCOT in the decision making on the feasibility of this Pilot as a potential A/S?
* Does the ERCOT Region currently have an identified control performance problem that is causing the Region to fail CPS1?
* Does the ERCOT Region currently have an identified control performance problem that is causing the Region to fail the DCS Standard?
* What is the inclusive list of Protocols, Operating Guides and Other Binding Documents requirements pertinent to resources providing REG Service that FRRS resources will be exempted from in the Pilot?
* How will the Pilot Project be effectively evaluated for a potential ancillary service if the requirements in (10) are not observed in the Pilot yet required under the potential ancillary service?