
Item 10: TAC Update

Kenan Ogelman
2013 TAC Chair

Board of Directors Meeting
ERCOT Public
January 15, 2013

Summary of TAC Update

Confirmation of 2013 TAC Leadership (Vote)

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

- NPRR506, Correction of Reconfiguration SASM Language Inconsistency – URGENT
- NPRR507, Correction of PTP Obligation Settlement Language Related to NPRR322 and NPRR470 – URGENT
- PGRR018, Clarify the Prerequisites for Adding a New Generation Resource to the Planning Models

Board Review: Minimum PTP Option Bid Price Per Protocol Section 7.7.1, Charging of PTP Option Award Fee (Vote)

January TAC Highlights

Guide Revisions Approved by TAC

Confirmation of 2013 TAC Leadership

The following leadership was elected by acclamation of TAC:

- **Kenan Ogelman, CPS Energy – 2013 TAC Chair**
- **Randa Stephenson, Lone Star Transmission – 2013 TAC Vice-Chair**

Revision Requests Recommended for Approval by TAC (Unopposed)

NPRR506, Correction of Reconfiguration SASM Language Inconsistency – URGENT

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| Purpose (ERCOT) | This NPRR makes corrections to a table describing the timeline for a reconfiguration Supplemental Ancillary Services Market (SASM) such that it is consistent with other Protocol language describing the same timeline. |
| TAC Vote | On 1/3/13, TAC unanimously voted to recommend approval of NPRR506 as recommended by PRS in the 12/13/12 PRS Report. |
| ERCOT Opinion | ERCOT supports approval of NPRR506. |
| Effective Date/Priority | February 1, 2013 |
| ERCOT Impact | No impacts. |
| Business Case Highlights | Will ensure consistent Protocol language in regards to the reconfiguration SASM timeline. |

NPRR507, Correction of PTP Obligation Settlement Language Related to NPRR322 and NPRR470 – URGENT

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| Purpose (ERCOT) | This NPRR corrects the formula for the “Real-Time PTP Obligation with Links to an Option per QSE per pair of source and sink” variable (RTOBLLO q, (j, k)), which affects the charge to Qualified Scheduling Entities (QSEs) for cleared Point-to-Point (PTP) Obligation bids with Links to an Option. |
| TAC Vote | On 1/3/13, TAC unanimously voted to recommend approval of NPRR507 as recommended by PRS in the 12/13/12 PRS Report. |
| ERCOT Opinion | ERCOT supports approval of NPRR507. |
| Effective Date/Priority | February 1, 2013 |
| ERCOT Impact | No impacts. |
| Business Case Highlights | Primary qualitative benefit is to maintain consistency between Protocol language and as-built systems and processes. |

PGRR018, Clarify the Prerequisites for Adding a New Generation Resource to the Planning Models

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| Purpose (ERCOT) | This PGRR clarifies that ERCOT will add proposed Generation Resources to the planning models only after the Interconnecting Entity (IE) has first: (a) notified ERCOT that it has given the Transmission Service Provider (TSP) a financial commitment sufficient to fund the interconnection facilities and notice to proceed with the construction of the interconnection; (b) notified ERCOT that it has obtained all requisite air permits from the Texas Commission on Environmental Quality (TCEQ); and (c) demonstrated that it has obtained the rights to sufficient water to operate the facility. This PGRR also requires the IE to submit all data necessary for including the proposed Generation Resource in the planning models. |
| PGRR Notes | On 11/13/12, the Board remanded PGRR018 to TAC. ERCOT requested separation of the Capacity, Demand and Reserve (CDR) requirements in order to have further discussions with TSPs on the financial security requirements during the interconnection process. Once these discussions have occurred, ERCOT will evaluate potential future changes to CDR requirements. Further, due to the Commission's desire to evaluate CDR requirements with a potential rulemaking, the TAC recommended separation of the CDR requirements from PGRR018 |

PGRR018, Clarify the Prerequisites for Adding a New Generation Resource to the Planning Models (continued)

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| TAC Vote | On 1/3/13, TAC unanimously voted to recommend approval of PGRR018 as revised by the 1/3/13 ERCOT comments. |
| ERCOT Opinion | ERCOT supports approval of PGRR018. |
| Effective Date/Priority | February 1, 2013 |
| ERCOT Impact | No impacts to budget or systems. ERCOT business functions will be updated. |
| Business Case Highlights | This PGRR should lead to more accurate planning models, which in turn should lead to a more reliable system. |

Board Review: Minimum PTP Option Bid Price Per Protocol Section 7.7.1, Charging of PTP Option Award Fee (Vote)

- Protocol Section 7.7.1, Charging of PTP Option Award Fee, states the following:
 - (1) ERCOT will charge each Congestion Revenue Right (CRR) Account Holder a Point-to-Point (PTP) Option Award Fee for each PTP Option bid awarded where the clearing price for the PTP Option bid awarded is less than the Minimum PTP Option Bid Price.
 - (2) The Technical Advisory Committee (TAC) and the ERCOT Board shall review the current Minimum PTP Option Bid Price at least every January and may recommend to the ERCOT Board changes to these values by submitting a Nodal Protocol Revision Request (NPRR).
- Protocol Section 2, Definitions and Acronyms, defines Minimum Point-to-Point (PTP) Option Bid Price as:

A value of \$0.010 representing the minimum price that can be submitted into the CRR Auction for a PTP Option bid.
- On December 5, 2012, WMS voted to not make any changes to the current Minimum PTP Option Bid Price. There was one abstention from IPM Market Segment.
- On January 3, 2013, TAC unanimously vote to maintain the current Minimum PTP Option Bid Price, as recommended by WMS.

TAC Action Item from 12/11/12 Board to respond to resettlement question related to NPRR461, Energy Storage Settlements Consistent with PUCT Project 39917.

On 1/3/13, TAC voted via roll call vote to provide the following response to the Board. There were four opposing votes from the Generator (2) and Independent Power Marketer (IPM) (2) Market Segments and four abstentions from the Generator (2) and IPM (2) Market Segments.

TAC's normal course of action would be to avoid (a) implementing Protocols on a retroactive basis and/or (b) making Protocols effective before ERCOT's staff is capable, through systems or manual procedures, of implementing them. However, due to the uniqueness of this situation, TAC recommends the Board modify the effective date of NPRR461 to coincide with the unboxing of Protocols related to the implementation of Release 6 but that ERCOT shall not perform manual implementation of NPRR461 prior to system implementation. Rather, upon system implementation, ERCOT shall correct settlements for the prior effective days through the normal settlement process to the extent possible. TAC acknowledges that this solution will create a delay in the reporting of the Wholesale Storage Load prices during the affected period.

TAC also took the following actions at its 1/3/13 meeting:

- Unanimously voted to retire the Market Enhancement Task Force (METF) as the METF has completed the work TAC created it for.
- Voted to endorse the AEPSC Airline/North Padre Island Area Improvements Project as recommended by ERCOT. There was one abstention from the Generator Market Segment.
- Unanimously voted to revise its meeting procedures to include an attachment entitled, ERCOT Rules of Order, to document common practices and ensure TAC and its subcommittees are consistently applying meeting rules.

Notice of Guide Revisions Approved by TAC

COPMGRR033, Synchronization with NPRR454, Removal of Unfunded Project List Language, and Modification of Administrative COPMGRR Definition

LPGRR048, Synchronization with NPRR454, Removal of Unfunded Project List Language, and Modification of Administrative LPGRR Definition

These Revision Requests align their respective Guides with NPRR454, approved by the ERCOT Board on 7/17/12, which removed language regarding the Unfunded Project List; aligns the Guides with the Protocols by requiring ERCOT's opinion in the TAC Report for any Revision Request requiring an ERCOT project for implementation; modifies the scope of the Administrative Revision Request definition to include revisions for the purpose of maintaining consistency between the Guides' revision processes and Protocol Section 21, Revision Request Process; and proposes administrative alignment changes.

LPGRR047, Automatic Yearly Update of Annual Validation Usage Window

This LPGRR allows the usage window for the Annual Validation of the Load Profile Segment assignment automatically to roll forward each year by 12 months, and changes the usage window for residential to the most recent four years. This LPGRR also deletes a related definition ('year value') from the definitions tab to minimize confusion and the need to update.